

AVIA
QUARTZ
CLOCKS

FINANCIAL TIMES

PUBLISHED IN LONDON AND FRANKFURT

No. 28,548

Saturday August 15 1981

Precision
In
motion.
FAG
Roller Bearings
Ball Bearings
Needle Bearings

CONTINENTAL SELLING PRICES: AUSTRIA Sch 15; BELGIUM Fr 30; DENMARK Kr 6.00; FRANCE Fr 4.50; GERMANY DM 2.0; ITALY L 1000; NETHERLANDS Fl 2.25; NORWAY Kr 4.00; PORTUGAL Esc 50; SPAIN Ptas 75; SWEDEN Kr 6.00; SWITZERLAND Fr 2.0; EIRE 35p; MALTA 25s

NEWS SUMMARY

GENERAL

Belgians investigate hydrofoil collision

Belgian authorities are investigating yesterday's collision in the English Channel between the Belgian, Boeing-made jet-fall Princess Clementine, carrying 208 passengers, and the Swedish freighter Buenos Aires (10,348 tons). No one was seriously hurt and passengers transferred to a second hydrofoil.

The accident happened in thick fog three miles off Calais, after the jet-fall left Ostend for Dover. Its operators said it had two radar systems aboard. Belgium's Sealink consortium chief Paul Muyldermans said the collision was a "complete mystery".

Celebration for Solidarity

Lech Walesa led Poles in a nationwide commemoration of the Gdansk strike that spawned Solidarity, amid ominous signs his call for two-month halt to strikes and food protests will be ignored.

Polish Communist Party leader Stanislaw Kania and Premier General Wojciech Jaruzelski met Soviet leader Leonid Brezhnev in the Crimea for talks as Soviet forces prepared for manoeuvres on Poland's border.

Karl Boehm dies

Austrian conductor Karl Boehm, nearly 87, died in Salzburg after a long illness.

Appeal on IRA

The UK Government will appeal against a New York federal court's refusal to order extradition of IRA man Desmond Mackin on charges of trying to murder a soldier in Belfast in 1978. The judge said Mackin was protected by his political activity.

Air-traffic move

Leaders of 1,400 UK air-traffic controllers deferred action in support of 12,000 striking U.S. colleagues. Back Page

Men set alight

Two men were set alight in spontaneous outbreaks of sectarian violence between Sikhalese and Tamil communities in Sri Lanka. One died, the other is critical.

Liverpool march

An anti-police march in Tuxford, Liverpool will demand the dismissal of Merseyside Chief Constable, Kenneth Oxford, today.

Briefly...

Prince and Princess of Wales fly from Egypt to the UK today at the end of their honeymoon.

Rembrandt portrait called Jacob III de Gheyn, worth up to £1m, was stolen from Dulwich picture gallery, South London.

Bradley Nurse, 70, South African cricketer, died in Dublin.

British Chess Championship was won by Daventry teacher Paul Littlewood, 25.

President Mitterrand will meet President Reagan in the U.S. on October 18-19 en route to the North-South summit in Mexico.

England were 231 and 70 for one and Australia 130 all-out in the fifth Test.

PUBLISHER'S NOTICE

The price of the Financial Times will increase to 30p from Monday, August 17. The rise is the first in more than a year and has been forced on us by substantial cost increases, especially for newsprint.

Newsprint prices, like those for oil, are tied to the value of the dollar. The U.S. currency's recent sharp appreciation against sterling has been an important factor in making newsprint prices some 25 per cent higher than a year ago.

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES	FALLS
Assoc. British Foods 156 + 5	Plessey 382 + 12
BTR 376 + 9	Powell Duffryn 285 + 7
Beecham 223 + 7	Pratt (CF) 94 + 9
Boots 244 + 7	Prudential 249 + 11
Fothergill & Harvey 189 + 7	Racal Elect. 475 + 22
GRN 173 + 8	Redifusion 197 + 11
Hill Engineering 177 + 7	Royal Insurance 412 + 15
Hewitt (CL) 63 + 8	Unilever 810 + 10
Horizon Travel 294 + 13	Wimpey (George) 418 + 44
ICI 388 + 10	Yorks. Chemicals 42 + 5
Intasun 68 + 10	Anglo Am. Gold 2461 + 18
Kear & Scott 40 + 4	Anglo Am. Inv. 247 + 1
London Brick 74 + 3	Transvaal Cons. Ld. 2364 + 1
Lincs Inds. 220 + 8	Western Hdg. 2321 + 11
Mack & Spencer 174 + 14	
Morrison (Wm) 129 + 4	
Pearl Assurance 446 + 12	
	Laird Group 128 - 7
	Wyatt (Woodrow) 12 - 4

BUSINESS

Dollar firmer; gold up \$8.5

DOLLAR was firmer closing at DM 2.3250 (DM 2.3175), Sfr 2.1850 (Sfr 2.1675), Y232.75 (Y231.75), Ffr 6.0500 (Ffr 6.0400). Its trade-weighted index rose to 113.7 from 113.3. Page 19

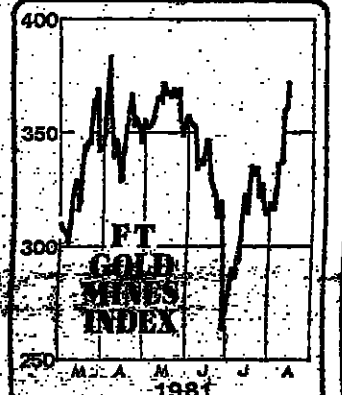
STERLING was unchanged at \$1.8050 but was firmer against European currencies finishing at DM 4.5600 (DM 4.5450), Sfr 3.9450 (Sfr 3.9150), Ffr 10.90 (Ffr 10.8950). Its trade-weighted index rose to 90.9 from 90.5. Page 19

GOLD rose \$8.5 in London to close at \$444.00. In New York the August Comex close was \$441.5. Page 19

EQUITIES surged forward. The FT 30-share index put on 11.1 to 372.5. Page 20

GILTS were more cautious. The Government Securities Index was off 0.01 at 64.91. Page 20

GOLD MINE shares rose with the bullion prices. The



FT Gold Mines Index rose 10.1 to 372.5. Page 20

WALL STREET was off 6.09 at 938.28 near the close. Page 18

U.S. WHOLESALE prices slowed last month to a 0.4 per cent rise in spite of an increase in food costs. Page 2

JAPAN blamed trade friction with the U.S. and Europe on domestic conditions in the West. Page 2

TRIFALGAR HOUSE chairman Nigel Brookes has sold 1.25m shares in the group, realising £1.3m, to buy an agricultural property. Page 14

EEC FUNDING for renewable energy developments in the Third World will rise substantially over the next five years, says EEC Energy Commissioner Viscount Davignon.

COMPANIES

F. PRATT Engineering corporation's chairman, B.H. Frigens, and five directors, are calling for the removal of board members: Terence Murray, Threlkeld and Maurice James. Back Page

LAIRD GROUP is raising £16.8m net by a one for four rights issue at 140p a share. Page 14; Lex, Back Page

RUSTON DIESELS, part of GEC, has won a £70m contract to supply Iraq with 70 small power stations. Page 3

GALLAGHER, tobacco group, stepped up its offer for Oxfec, office supplies group, to 180p per share. Page 14

MILLS AND ALLEN International is extending its bid for Letraset by another fortnight. Page 14

NEEPSAND, steel and steel product maker, reported a pre-tax deficit for the year to end March of \$3.1m compared with a profit of \$1.3m. Page 14

LEHMAN BROTHERS, U.S. investment corporation, is to advise Bank of China International Trust and Investment Corporation.

Iranian monarchists seize gunboat off Gibraltar

BY ROBERT GRAHAM IN MADRID AND DAVID WHITE IN PARIS

A PARIS-BASED Iranian monarchist organisation yesterday claimed responsibility for a spectacular act of piracy off the Strait of Gibraltar against a convoy of gunboats recently handed over by France to the Iranian navy.

A commando group using a tugboat hired in Cadiz on the pretext of a pleasure trip succeeded in boarding one of the three high-speed gunboats off the Spanish coast and sailing it towards Tangier, Morocco. The other two vessels in the convoy put into the Spanish port of Algeiras.

The raid was on Thursday night. But details have only emerged following a low-key communiqué put out by the Spanish Foreign Ministry.

The Ministry said that, after chartering the tugboat, the group produced weapons, destroyed the communications equipment, and ordered the boat to sea. The group boarded one of the gunboats—identified as the Tazbarin—about five miles offshore.

The tugboat captain was reported as saying that the commando group numbered 15 or 16 and that all were in their 20s except for a man aged about 30.

He said four or five uniformed men aboard the gunboat "helped the commandos to get on board" and the rest of the crew lay on the deck when the tug pulled alongside.

The whereabouts of the captured Tazbarin were unknown last night although the Spanish navy, aided by naval aircraft, followed the vessel towards Tangier, Morocco. It denied that the gunboat had touched Moroccan soil.

Officials from the Spanish Foreign Ministry and the Iranian Embassy in Spain interviewed crew members on the two other gunboats yesterday. Last night, the boats, with their crews aboard, left Algeiras under Spanish escort and were said to be heading for the Suez Canal.

In Paris, the opposition group which claimed to have seized two of the boats is known as Azadegan or Iranian Liberation Troops. It did not say what it planned to do with the captured vessel.

Azadegan said the action was carried out by a commando group of 40 men under

the command of Admiral Habibollahi, a former Iranian navy chief.

Azadegan is a nationalist organisation seeking to instal a constitutional monarchy in Iran. It was founded in exile by Gen Bahram Arian, a former chief of staff of the Shah's army. He is an expatriate of France's Saint Cyr military academy.

Gen Arian is said by his supporters to have left Paris in July in order to organise resistance against the current

the command of Admiral Habibollahi, a former Iranian navy chief.

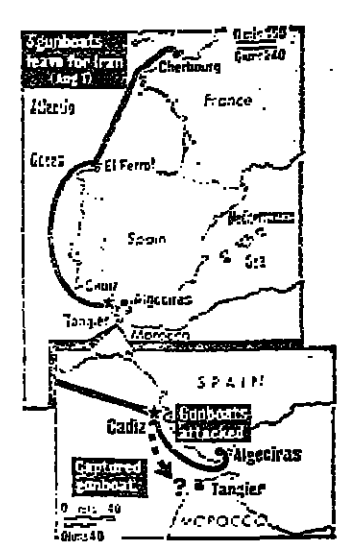
Azadegan is a nationalist organisation seeking to instal a constitutional monarchy in Iran. It was founded in exile by Gen Bahram Arian, a former chief of staff of the Shah's army. He is an expatriate of France's Saint Cyr military academy.

Gen Arian is said by his supporters to have left Paris in July in order to organise resistance against the current

the command of Admiral Habibollahi, a former Iranian navy chief.

Azadegan is a nationalist organisation seeking to instal a constitutional monarchy in Iran. It was founded in exile by Gen Bahram Arian, a former chief of staff of the Shah's army. He is an expatriate of France's Saint Cyr military academy.

Gen Arian is said by his supporters to have left Paris in July in order to organise resistance against the current



Further Nissan delay over UK car plan

BY JOHN GRIFFITHS AND ANTHONY MORETON

NISSAN, JAPAN'S second largest car-maker, is further delaying a decision on whether to proceed with its plans for a UK manufacturing plant to build 200,000 cars a year.

The company's president, said in Tokyo yesterday that it hoped to reach a final verdict "by the end of the year".

When it first announced a feasibility study for the project in January, Nissan indicated that it would tell the UK Government before the end of last month whether it would proceed.

The original target date was widely regarded as ambitious for what would be a complex "green-field" site operation on 800 acres.

The main stumbling block emerging, however, is the price that Nissan would have to pay for components made in the UK or Europe.

Nissan, apparently, is having great difficulty reconciling the conflicting demands of what

this would be measured. If the 60 per cent included labour and plant, for example, the content of actual components could be as low as 30 per cent.

In the past few weeks of negotiations between Nissan and Department of Industry officials on regional grants to set up the project, manufacturers in Britain have said vehemently that Nissan should be obliged to use at least 50 per cent of actual components made within the EEC.

Even at that level, Ford has warned, Britain would be likely only to break even in terms of job losses elsewhere in the motor industry against the 4,000-5,000 jobs that the Nissan project would create.

If Nissan were to import the parts entirely, Ford said, up to 50,000 jobs could be at stake. Nissan intends UK output to be in addition to its imports.

This could mean a UK market share for Nissan of 15 per cent, compared with 10 per cent for Ford.

Continued on Back Page

Short-term interest still easing

By Peter Riddell, Economics Correspondent

SHORT-TERM interest rates in London have eased in the last fortnight, pushing back the threat of a rise in cost of bank overdrafts for the time being.

This trend was highlighted yesterday at the weekly Treasury bill tender, when the average discount rate fell by 0.23 points to 13.5 per cent, the third successive drop.

Money-market conditions remain potentially unstable, partly in view of large tax payments likely in the next few weeks.

The index has risen on 11 of the last 12 trading days and this week's increase, amounting to 34.5 points, is one of the largest in recent years.

The market's strong performance is partly a reflection of supply bottlenecks on the trading floor.

Jobbers have been discouraged from holding a large float of shares by the high level of interest rates and the traditionally quiet August trading conditions.

The sudden influx of buying orders early last week caught them by surprise and forced them to mark up prices sharply to attract sellers.

But there has also been a marked change in the mood of the market.

A survey of companies in the South-East produced some unexpectedly optimistic conclusions early last week, and the June industrial output figures, released on Wednesday, showed an improvement in the level of industrial activity.

At the same time, interest rates in both the U.S. and UK have started to fall back again.

Sterling interbank rates and U.S. Federal Funds rates were both down last week, and yields on all-seed securities

Investor response boosts All-Share Index to record

BY JOHN MAKINSON

SHARE PRICES moved ahead strongly on the London stock market again yesterday, as investors responded to signs that the economy was slowly emerging from the recession.

The FT-Actuaries All-Share Index ended the day at a record level of 368.45.

The FT 30-Share Industrial Ordinary Index gained 11.1 points to close at 372.5, more than recovering the ground lost on Thursday.

The index has risen on 11 of the last 12 trading days and this week's increase, amounting to 34.5 points, is one of the largest in recent years.

The market's strong performance is partly a reflection of supply bottlenecks on the trading floor.

Jobbers have been discouraged from holding a large float of shares by the high level of interest rates and the traditionally quiet August trading conditions.

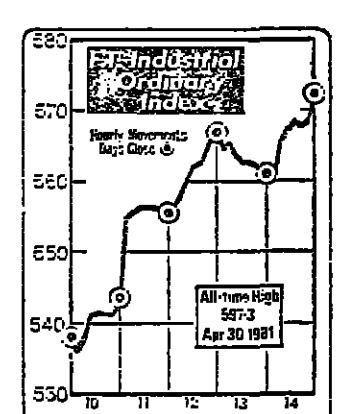
The sudden influx of buying orders early last week caught them by surprise and forced them to mark up prices sharply to attract sellers.

But there has also been a marked change in the mood of the market.

A survey of companies in the South-East produced some unexpectedly optimistic conclusions early last week, and the June industrial output figures, released on Wednesday, showed an improvement in the level of industrial activity.

At the same time, interest rates in both the U.S. and UK have started to fall back again.

Sterling interbank rates and U.S. Federal Funds rates were both down last week, and yields on all-seed securities



are about half a percentage point below the peak of late last month.

The tentative hope that interest rates are now past their peak has also affected Wall Street.

The Standard and Poors Industrial Index, which reached its lowest point of the year on August 22, crept back last week through the sensitive 150 barrier.

The FT-Actuaries All Share Index is more than 20 per cent above its 1981 low point, reached in mid-January.

The FT Industrial Ordinary Index is only 25 points away from the record level which it reached in mid-April.

Details, Page 20; Week in markets, Page 4; Lex, Back Page

£ in New York

	Aug. 15	Previous
Spot	\$1.8050 8055	\$1.8050 8070
1 month	2.20 2.30 pm	2.20 2.30 pm
3 months	2.20 2.30 pm	2.20 2.30 pm
12 months	6.40 6.50 pm	6.10 6.30 pm

Yamani is confident of unified Opec pricing system

BY RICHARD JOHNS

SHEIKH Ahmed Zaki Yamani, the Saudi Arabian oil minister, said yesterday that he expected members of the Organisation of Petroleum Exporting Countries (Opec) to agree on a unified pricing system when they meet in Geneva on Wednesday.

As a result, Saudi output would drop from the present level, believed to be about 10.25m barrels a day, he added.

Sheikh Yamani's comments were the first firm indication that Saudi Arabia is confident of a compromise on a common price.

Sheikh Yamani told the official Saudi Press agency that

the reunification of prices after more than two years disarray would cause production to fall "under pressures" to a much lower level. He did not say whether any ceiling would be put on Saudi output.

He appeared to be reserving Saudi Arabia's bargaining position in case of any attempt to undermine the informal agreement worked out between members during the past three weeks.

The deal is believed to involve:

- a basic reference price of \$34 a barrel compared to the \$32 charged by Saudi Arabia and

the \$36 set by nearly all other members since the beginning of this year.

● a ceiling price of \$37 for the premium crudes produced by the African members of Opec—Algeria, Libya and Nigeria.

Saudi Arabia may yet be persuaded by other Opec members to fix a maximum output. Its high rate of production since the end of 1980 has been the main factor that has depressed drastically the exports of other Opec members, in particular Nigeria and Libya, in a period

Continued on Back Page

North Sea Hazards, Page 3

Receivers called in at Ronson

BY JAMES McDONALD

BARCLAYS Bank yesterday called in two Price Waterhouse accountants as joint receivers and managers of Ronson Products, the lighter and electric shaver manufacturers. Barclays is owed more than £6m by the U.S.-owned company.

Ronson Products has been cutting its UK activities and has already closed factories in the Isle of Wight and Northumberland. The remaining big plants are at Leatherhead, Surrey, where about 1,000 employees produce mainly lighters, and a factory with 250 workers in North Shields which makes shavers.

Barclays said yesterday that it had given substantial support to Ronson for a number of years and that this support "has now reached a level well beyond normal banking risks".

Ronson Corporation, the parent U.S. company, "has been unable to support its UK subsidiary, which has made substantial losses over the past few years," Barclays added.

The American company is believed to have borrowed from its British subsidiary. Last year Ronson Products made a £4m loss and the parent American company lost \$5.5m (about £3m).

Barclays said it encouraged Ronson to restructure its operations for Ronson Products in 1979 and last year. Three months ago there was a third attempt to restructure the company with the bank's support, involving a British investment group, but these negotiations collapsed a few days ago.

"In view of the critical state of the company's finances, the bank now has no option but to appoint receivers," it said.

Ronson has suffered from the inroads made into the market by disposable lighter manufacturers over the past few years, including Bic and other European makers.

Mr Brian Larkins, one of the receivers and managers, said last night that the receivers would try to continue trading and were looking for an early sale of the business as a going concern.

The 1,000 employees at Leatherhead are on holiday and return to work on Monday, Mr Larkins, who will be working over the weekend, said. "They won't find the factory gates closed but they may be sent home for a few days. They will be paid, perhaps on a lay-off basis."

One of Mr Larkins' problems will be to get a resumption of supplies of materials to the factories. The financial situation has been so acute that some supplies have been cut off.

The appointment of Mr Larkins and Mr Mark Homan as joint receivers and managers does not extend to the operations of Ronson Products' subsidiaries in West Germany and Australia.

CONTENTS

British cycle industry: how Raleigh rode to a fall	12	Travel: cycling in Normandy	7
Spina bifida case: the issue raised	13	Motoring: the Astra 1.3 and the Colt Lancer	7
Savings and investment: pensions and early retirement	5	Collecting: children's books	11
property in Spain's sherry country	6	Coins: problems of hedging against inflation	11

Appointments	18	Gardening	7	Racing	11	Weather	25
Arts	10	Gift	11	Share Information	22-23	Your Savings/Mkt.	4
Books Page	8	How to Spend It	9	SE Week's Deals	15	Week in the Mkt.	5
Chess	11	Int. Co. News	17	Stock Markets	20	Base Lending Rates	18
Bridge	11	Leader	12	Wall Street	20	Build. Soc. Rates	19
Collecting	11	Letters	12	Sources	16	Local Authority Bonds	19
Commodities	11	Lux	24	Travel	7		
Company News	14-15	London Options	15	TV and Radio	10		
Crossword	10	Man of the Week	24	UK News	3		
Economic Diary	13	Mining	4	General	3		
Entertain. Guide	10	Money & Exch.	19	Labour	3		
European Options	10	Motor	10	Unit Trusts	21		
Finance & Family	4	Overseas News	2				
FT Actuaries	20	Property	6				

For latest Share Index phone 01-516 8028

AN OFF

OVERSEAS NEWS

U.S. inflation slows as industrial output rises

BY DAVID BUCHAN IN WASHINGTON

THE RATE of inflation at the wholesale level in the U.S. last month slowed to a 1.4 per cent rise despite a big surge in food costs, helped by continued slackening in the country's industrial output.

Industrial production overall rose by 2.3 per cent in July, after a fractional decline in June, the Federal Reserve Board said yesterday. But most of the increase reflected the rebound in coal output following the spring miners' strike. The rest of industry did little more than make up for the protracted slump in the car and construction sectors.

The July picture of a weak economy, moderating the rate of price rises, will be welcomed by the Reagan Administration, which has placed inflation well above unemployment in its list of priority problems.

This was reinforced by earlier news that the U.S. jobless rate

fell in July to 7 per cent from 7.3 per cent the month before. This meant that the caution expressed this week by Mr. Murray Weidenbaum, head of the Council of Economic Advisors, that the U.S. might be in a recession "right now," with unemployment heading for the 8 per cent mark, made little impact.

By contrast, President Reagan has taken his concern about the possible inflationary results of bigger Federal budget deficits with him on his California holiday.

Signing his Tax and Spending Reduction Bill at his Santa Barbara ranch, Mr. Reagan acknowledged that deficits might be wider than projected, because Congress had shaved his budget cut plan while adding to his tax cuts.

Much of the anti-inflation fight has been placed on the shoulders of the Federal Re-

serve, the central bank, which kept a tight handle on money growth. But this has pushed up interest rates, hitting car and house sales in particular and wider budget deficits, thus more Government borrowing could keep the cost of money high.

U.S. wholesale price rises dropped from .8 per cent in June to .4 per cent last month overall. This was considered an excellent performance, since it masked a 1.5 per cent rise in wholesale food costs and an even bigger increase in steel prices.

Wholesale price trends are a guide to future retail prices. But they may have no major impact on the Consumer Price Index—the most widely watched gauge of inflation by politicians and the public—because the CPI also measures house mortgage interest rates, now at record levels.

Tokyo blames trade problems on domestic market in the West

BY RICHARD HANSON IN TOKYO

JAPAN yesterday defended criticism of its high export levels and laid the blame for recent trade frictions with the U.S. and Europe on domestic conditions in the West.

In the 1981 economic White Paper, approved for release by the Japanese Cabinet, the Economic Planning Agency (EPA) in Tokyo insisted that declines in domestic demand and productivity have had a far greater effect on Western economies than Japanese imports.

The EPA says trade frictions with Japan arise in industries where advanced countries are gradually losing their comparative advantages in labour costs and product cycles. The report cites an analysis of changes in U.S. employment over the past decade which shows imports to be a marginal cause of shifts in employment compared with changes in demand and productivity.

"From the viewpoint of international division of labour, it is desirable for those countries losing their comparative advantage in some specific industry to reduce the size of that industry," the report recommends.

In order to ease international trade tensions, Japan ought to take the leadership, along with West Germany, in safeguarding the free trade system. Japan should also increase its imports of finished goods from advanced industrial countries and develop industrial co-operation.

The White Paper said the recession "shadow" resulting from the 1979 oil crisis had largely disappeared. The exceptions are found largely in structurally depressed industries, such as aluminium.

Moreover, the worsening of Japan's terms of trade brought on by a sharp rise in the price

of imported oil came to a halt and began to stabilise in the spring of 1980.

The report indicates that exports will continue to play a significant role in economic growth this year after accounting for the lion's share of growth in fiscal year 1980. Personal consumption, however, is also expected to pick up, and there are signs of recovery in housing construction.

Equipment investment, alone with exports, is tending upwards, but at a slower pace than last year. Now that the second oil crisis has been successfully overcome, Japan needs to maintain and improve the "vitality" of private industry.

The EPA says that greater efforts must also be made to improve the "efficiency" of the agricultural sector. Japan's self-sufficiency in farm produce fell to 72 per cent in 1979.

Japanese infantry at half strength

BY CHARLES SMITH, FAR EAST EDITOR IN TOKYO

FRONT-LINE INFANTRY companies in Japan's ground self-defence force normally contain barely more than half their authorised strength, according to a White Paper on defence issued yesterday by the Government. This is because budgetary constraints limit overall recruiting to the forces.

In the 1981 fiscal year, the Defence Agency (Japan's equivalent of a Defence Ministry) has been allowed to maintain overall manning of the nation's ground forces at 86 per cent of their locally authorised strength of 150,000 men.

Command and communications units, as well as top priority sectors such as ground-to-air missile units, have been maintained at 100 per cent of

authorised strength. In order to compensate, the typical front-line infantry company contains between 110 and 120 men in contrast with its authorised strength of 200.

The Defence Agency is seeking permission to raise overall manning in the ground self-defence force to 86 per cent of authorised levels in the 1982 fiscal year.

In the meantime, it is admitted that personnel costs already represent an unusually high ratio of total expenditure in Japan's defence budget (48 per cent of the total). This is attributed first to the fact that Japan runs a volunteer defence force and therefore has to offer attractive pay rates and,

secondly, to the negative impact of Government stringency on hardware spending.

The 1981 defence White Paper concentrates on what the Defence Agency calls "soft-ware"—that is, personnel problems and defence psychology—whereas previous papers have stressed hardware requirements. In a section dealing with civil defence, the document emphasises the need for patriotism on the part of ordinary Japanese people.

A section on the significance of military power says Japan needs defence capacity in order to be able to reject "heavy political pressure" from other nations and not simply in order to defend its territory against conventional military attack.

Canada's interest rates may fall

BY OUR OTTAWA CORRESPONDENT

CANADIAN INTEREST rates may begin to decline from their current record levels, according to indications from the latest auction of Canadian Government Treasury Bills by the Bank of Canada.

The average yield on six-month Treasury Bills fell to 20.29 per cent at Tuesday's auction. This was more than half a percentage point below the return on three-month Bills, which showed an average yield

of 20.92 per cent—down from 20.98 per cent a week earlier.

Last week, the longer-term Bills yielded more than those with a three-month maturity, and the reversal is a sign that many market participants believe interest rates have peaked, at least for the time being.

In addition, the spread below the high and low rates at the auction was small, indicating that the Bank of Canada was a

minor player in the result. In past weeks, the difference was larger and it was generally felt the Central Bank mounted a serious effort to keep interest rates from rising even more sharply than they did.

Against this trend, however, was the disclosure by Statistics Canada yesterday that Canada's consumer price index was at a 30-year-high of 13 per cent in July.

Construction delays curb Soviet oil production

By Tom Sady

MAJOR SOVIET underground oil pipelines are running well below capacity because of inadequate facilities and equipment for servicing personnel in remote areas with severe climatic conditions. Construction is planned and funded at the project stage but the companies responsible keep putting the work off "to a better time."

The main problem is delays in the construction of bases, including living quarters, hospitals and other facilities in remote areas with severe climatic conditions. Construction is planned and funded at the project stage but the companies responsible keep putting the work off "to a better time."

Thus, although the Ust-Balyk-Almetevsk pipeline went into service more than 10 years ago, many of the families of service personnel are still living in railway wagons in temporary "villages."

Many pumping stations are built without reservoirs, making calculation of the quantity of oil being pumped difficult.

The Ust-Balyk-Almetevsk pipeline is still waiting for 14 communications units, 11 repair and operating bases, seven boiler and other facilities, 50 apartment houses, eight schools and eight hospitals.

Our correspondent reports from Moscow: The Soviet Union has started disclosing more details of the bitter fighting in Afghanistan in the State-controlled Press.

Reports of the fighting avoid mentioning the direct role played by Soviet soldiers, but the purpose appears to be to advise citizens that they may be called upon for protracted duty in Afghanistan.

Reports earlier this week mentioned one incident in which 700 guerrillas attacked a frontier post near Pakistan, manned by just 43 Government troops.

Sri Lanka resists call to devalue

By David Dedwell

THE INTERNATIONAL Monetary Fund wants Sri Lanka to devalue the rupee by 10 per cent as a condition for receiving the final tranche of a \$350m loan agreed 2½ years ago.

The Sri Lanka Government tried to resist the demand during negotiations which have just ended in Colombo, the country's capital. The Government believes devaluation would jeopardise its political credibility with the electorate, and is convinced it will only aggravate the country's economic problems.

News of the disagreement between the IMF and Sri Lanka emerged yesterday while Mr. Ronnie de Mel, the country's finance Minister, was in London signing a \$75m five-year Euroloan.

Sri Lanka has been at loggerheads with the IMF since the middle of last year, when the Fund suspended disbursement of the \$350m extended fund facility agreed in January 1979. The IMF was concerned that the country's development plans were over-ambitious.

Agreement to resume disbursements was reached in April this year after the Sri Lanka Government removed subsidies on a wide range of consumer goods.

But it seems the IMF is still not satisfied that enough has been done. As a condition for disbursing the final \$100m tranche of the extended fund facility, the IMF has called on Sri Lanka to further scale down development plans. It has now emerged that the IMF is also pressing for devaluation.

Cherbourg-built gunboats 'jinxed'

BY DAVID WHITE IN PARIS

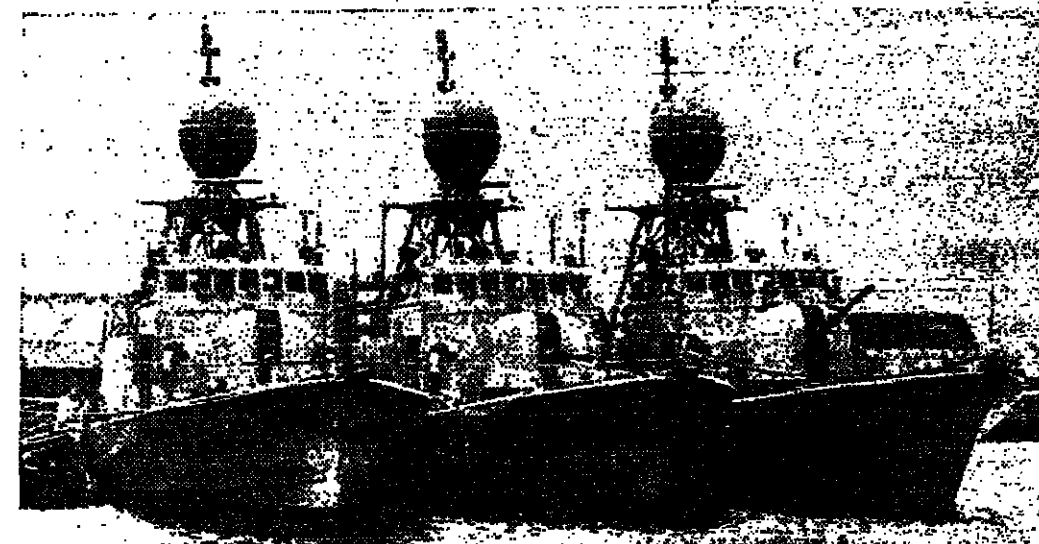
SOME strange curse seems to hang over France's Cherbourg-built gunboats. In the course of half a dozen contracts, all with foreign navies, they have been the object of three embargoes and two audacious seizures.

The most famous incident was on Christmas morning, 1969, when the Israeli navy seized five gunboats out from under the noses of the French authorities in Cherbourg harbour.

The vessels were the remainder of an order which had been cut off when Gen de Gaulle embargoed arms sales to Israel. They had, to all appearances, been re-sold. They sailed off under Norwegian flag to a rapturous welcome in Haifa, and to the acute embarrassment of the newly-installed President Pompidou.

Iran's order of 12 from the same company, Constructions Navales de Normandie, was only half-completed when the Shah was overthrown. France continued deliveries for a while but had to hold on to the last three missile-carrying vessels until the end of the U.S. embassy hostages saga.

A Libyan order for 10, half of them built but none yet delivered, was suspended by the Giscard Government after Libyan forces went into the former French colony of Chad last year. The Socialists, then in opposition, had started



HIJACKED: Iran's three speedboats, lying in a French harbour before Paris ordered their delivery

ing boats on its hands for several years awaiting delivery or payment. The last three boats for Iran were all launched in 1978. After the French Government's final go-ahead in June, there are further hints: a sum of about PFR 30m (£2.7m) that the Iranians still had to pay, and the

lack of a freighter big enough to transport the gunboats without mishap to Iran. A Combattante II high-speed gunboat of this kind, armed with Franco-Italian Otomat missiles and 76 mm and 40 mm cannon, is worth about PFR 60m, although prices vary according to specifications and, doubtless, to client.

West German police raid arms company

BY ROGER BOYES IN BONN

WEST GERMAN detectives have raided the offices of a leading arms company suspected of breaking Bonn's tight weapons export regulations.

The Dusseldorf Prosecutor's Office said police took away several documents which may be used as evidence in the investigation into the Rheinmetall company, which makes tank turrets and barrels as well as small arms, has denied that it acted illegally. It said in a statement yesterday that it was only interested in a swift conclusion to the investigation.

The case is a controversial one in West Germany because it focuses on a particularly weak point in West German arms export legislation—the application of the end-user

clause. This clause has, according to West German law, to be written in almost all weapons contracts between West Germany and the purchaser not to re-export the weapons to a third non-Nato country, before the deal can go through.

The investigation into Rheinmetall began after it was discovered that German weapons had found their way to South Africa via Italy and to Argentina via Spain.

This raises the question of whether the German companies involved knew that the arms were destined to be re-exported to "areas of tension" before they clinched their deals with Italy and Spain. But it is clearly difficult to prove this.

West Germany's ruling coalition of Social Democrats and Free Democrats has been in a crisis of conscience about arms exports for a number of years. But the issue has become critical both because of the loopholes in the legislation and because of a Saudi request for Leopard 2 tanks and other armoured weapons.

By most measures, Saudi Arabia ranks as an "area of tension" under West German regulations. But the political and economic benefits of doing such a deal with Riyadh are being taken very seriously. The Cabinet is expected to take a decision on the Saudi deal some time in the autumn.

Dutch bargemen may end action

BY CHARLES BATCHELOR IN AMSTERDAM

BARGEMEN WHO have blocked the River Maas upstream from Rotterdam after the Organisation of Rhine Shippers obtained a court order impounding a number of barges to meet the shippers' alleged losses.

The mood of the bargemen's blockade has been peaceful and no resistance has been shown to police helping to remove vessels. Tempers rose at times, however, when protesters came face to face with bargemen opposed to the blockades.

The aim of the action was to extend the system of allocating cargoes through 15 shipping exchanges to include sand and gravel cargoes. These account for 60 per cent of the bargemen's business, but are negotiated outside the exchanges.

Talks aimed at forming a new left-of-centre government in the Netherlands have run into new difficulties, this time over the 1982 proposed budget.

The right-of-centre Liberal party, which is a member of the present outgoing Cabinet but which will be forced into opposition if the present coalition negotiations succeed, has refused to take responsibility for the outgoing government and who will be the largest party in the new government if current talks succeed, have asked the Labour and Democrats 66 parties to back the budget plan.

Spokesmen for the two left-wing parties, however, said they were not prepared to support the budget without full information on the calculations on which it had been based and a clear idea of its consequences.

Several shells fell on residential areas on both sides of the line yesterday.

The committee has been struck over the issue of dealings between Lebanese right-wing Christian elements and Israel. The Arab League body comprises Lebanon, Syria, Saudi Arabia, Kuwait and the Arab League Secretary-General.

Syria has insisted that the Phalange party, Lebanon's principal right-wing Christian organisation, break all links with Israel.

It said a letter which had been submitted to President Elias Sarkis by Bachir Gemayel, the Christian Militia Commander, promising to discontinue collaboration with the Israelis was not enough. It must be coupled by practical steps such as stopping the import of weapons from the Jewish state.

Several shells fell on residential areas on both sides of the line yesterday.

The committee has been struck over the issue of dealings between Lebanese right-wing Christian elements and Israel. The Arab League body comprises Lebanon, Syria, Saudi Arabia, Kuwait and the Arab League Secretary-General.

Syria has insisted that the Phalange party, Lebanon's principal right-wing Christian organisation, break all links with Israel.

It said a letter which had been submitted to President Elias Sarkis by Bachir Gemayel, the Christian Militia Commander, promising to discontinue collaboration with the Israelis was not enough. It must be coupled by practical steps such as stopping the import of weapons from the Jewish state.

Sicily retaliates in 'wine war'

MARSALA, Sicily—The Socialist Mayor of Marsala yesterday ordered stringent health checks on a Marsala wine ship, the Ampolios, in the French port of Sete on Monday and dumped diesel oil over its cargo in protest at Italian imports.

The action by Sr Egidio Alagna followed an increase in taxes ordered by France's Socialist Government on the import of cheap Italian wine and the imposition of a temporary customs block.

Buildings in Marsala were yesterday plastered with posters from the Town Hall urging citizens not to buy French goods. "Eat and drink and wear Italian products. Our cousins beyond the Alps will understand that we do not intend to take their unilateral

decisions lying down," one poster said.

French wine-growers boarded a Marsala wine ship, the Ampolios, in the French port of Sete on Monday and dumped diesel oil over its cargo in protest at Italian imports.

Mayor Alagna yesterday called a 24-hour strike in Marsala as a protest over the French taxes and customs barrier.

Sr Nicola Capria, the Italian Foreign Trade Minister, said the moves announced by M Pierre Mauroy, the French Prime Minister, were not an acceptable solution to the wine controversy.

Mr Capria said: "If a truly valid and satisfactory solution is not found, we risk a situation

which would increase further the demands for drastic counter-measures on our part."

Reuter

Roger Cornwell reports from Rome: A belated recovery in tourist income, and the 30 per cent import deposit scheme of last May, helped Italy to a balance of payments surplus of L1,978bn (£1.6bn) in July. It is the second largest monthly surplus, exceeded only by June's L2,314bn.

The sharp turnaround, recorded over the two months, has slashed the country's total 1981 deficit from L5,058bn at the end of May to just L750bn by the end of July. Experts hope August will show a large enough surplus to bring the overall accounts this year back into equilibrium.

Lovers of the Stinking Rose flock to Gilroy for Gartinis

BY DAVID BUCHAN IN GILROY, CALIFORNIA

A TREND anywhere else becomes a craze in California—and if you doubt that, explain why 100,000 people were drawn here earlier this month to celebrate, savour and salivate over the culinary and medicinal properties of garlic, that pungent member of the lily family.

Gilroy, a town of 20,000 people south of San Francisco, is happily riding the popularity boom of garlic in American kitchens and turning it into a cult. Disciples proudly style themselves Lovers of the Stinking Rose, the name of the official fan club which has gone to the lengths of producing a film titled "Garlic is as Good as Ten Mothers."

The thousands that congregated here for the third annual Gilroy Garlic Festival paid \$3 each to partake from dozens of stands offering garlic as food, as decoration, as talismans to deter evil spirits and even as a perfume named Garlique. One stand was said to be offering Gartinis to the thirsty. At hot air balloon in the shape of an enormous garlic bulb took the festival aloft for the aerial arom.

abashedly stolen from Arleux in France, which has staged a Fête de l'Ail for many years. In a typically competitive American spirit, Gilroy now claims to have taken the "garlic capital of the world" title off Arleux.

It is not clear whether the French town has conceded this—official relations between the two festivals have not yet been established. But Gilroyans claim that both their festival attendance and their garlic production outstrip those of Arleux—90 per cent of all U.S. garlic (100,000 tonnes a year) is grown within 90 miles of Gilroy in the rich Santa Clara Valley.

Clearly, garlic has breathed new life into Gilroy, or as Mrs Karen Christopher, one of the festival's organisers maintains, it has given the town a positive notoriety. Many years ago the town was known as "the home stand of the prune." Since then, garlic production has increased steadily. Gilroyans used to be slightly hang-dog about their town's odiferous reputation, Mrs Christopher says—but not so any longer, since garlic con-



"The Garlic Festival... just follow your nose!"

sumption really took off some 10 years ago.

The "average" American now seasons his food with just over 1 lb of garlic a year. Of course in reality there is no such average. Garlic eating is still very much an East and

West coast phenomenon though it is also popular with Cajun and Creole cooking in the Deep South. But much of the rest of the continent still scorns the herb. In some parts, garlic is even considered un-American.

Other people like it for precisely that reason and the fanatics among them have scared off salt as a seasoning by health cautions from the U.S. Government.

The law reflects this regional difference. For instance, the New York Supreme Court has ruled that garlic odours from a restaurant are not a public nuisance. By contrast, Gary, Indiana—definitely the American heartland—still has an ordinance on its books actually making it illegal for people to ride on a bus or attend a public theatre within four hours of eating garlic.

But as some of the judges commented at the great Gilroy garlic cook-off—for the record, fettucine glososa won first prize, followed by Hungarian salami, then spinach pesto—increasing use of garlic has brought some abuse.

Mr Vern Lanegrass, better known as the Hollywood Chef

from his syndicated column and television appearances, notes that many "American enthusiasts believe the more garlic they use the more authentic the dish." He counsels his countrymen to keep garlic for the more robust dishes and away from the more delicate like veal and fish, though he himself has a recipe for chicken with 100 cloves of garlic.

Mr Lanegrass points to the problem that garlic in the U.S. has been over-identified with Italian cooking. The first Italian immigrants were from garlic-loving Sicily and put their stamp on Italian-American cuisine to the exclusion of many northern Italian non-garlic dishes.

Cooking aside, garlic has been historically identified with a myriad of medicinal and psychic uses. Mrs Christopher says that after 3,000 years of folklore, modern science is supporting some of these claims. In particular the lowering of blood cholesterol levels.

Again, garlic's anti-vampire properties may be hard to verify but its anti-bacterial qualities are not. Mr Greg Faulk of Gilroy Fools, a company that

dehydrates garlic into the powders and flakes which a majority of Americans still use instead of fresh garlic, recounts that his company tried to set up a bacterial waste plant next to its garlic factory, but totally failed because the garlic aroma killed the requisite bacteria.

Perhaps there is something in the medieval belief that garlic did ward off the plague. Gilroyans note with relief that their area has not been affected by the recent outbreak of Mediterranean fruit fly in California.

A Briton at the Gilroy festival is regarded as having strayed outside his culture. The

British generally are thought to treat the herb with disdain. But an anthology on sale at the festival shows that views on garlic transcend nationalities.

It was a Roman, Horace, who warned his patron against the herb: "Should ever, O Maecenas, the whim take thee to eat of this herb, may thy mistress refuse to kiss thee and fly from thy embrace to the farthest end of the couch." And it was a Briton, Sir John Harrington, who wrote: "Scorn not garlic like some that think it only maketh men wink and drink and stink."

Deposits of £1,000-£50,000 accepted for fixed terms of 3-10 years. Interest paid gross, half-yearly. Rates for deposits received before 21.8.81 are fixed for the terms shown:

Terms (years)	3	4	5	6	8	10
Interest %	13	13 1/4	13 1/2	13 3/4	14 1/4	14 1/2

Deposits in and further information from the Treasurer, Finance for Industry Limited, London SE1 8XZ (01-523 7822 Ex. 327). Cheques payable to the order of F.I.L. must be accompanied by a completed application form.

Finance for Industry Limited

Today's Rates 13 1/4% - 14 1/2%

FINANCIAL TIMES, published daily except Sundays and public holidays. Subscriptions: £150 per annum. Second Class postage paid at New York, N.Y., and at additional mailing centres.

St. Albans College
Oxford

GCE ADMISSIONS

St. Albans College is a recognized school for the preparation of students for entry to the University of Oxford. The College is a member of the University of Cambridge.

Applications for September please send to: The Headmaster, St. Albans College, 1, St. Albans Road, Oxford OX2 0JH. Tel: 01865 274111. Fax: 01865 274112.

Non-competitive entrance examinations are held in January and June. Successful candidates will be invited to attend a trial term.

For further information, contact: The Headmaster, St. Albans College, 1, St. Albans Road, Oxford OX2 0JH. Tel: 01865 274111. Fax: 01865 274112.

UK NEWS

Two accidents in one week place a question mark over North Sea helicopter safety

THE HEART beats a little faster the first time you step aboard a helicopter and head for the North Sea oilfields. An elaborate set of safety routines tells you that the next hour is going to be very different from a normal flight.

Your name and address is carefully logged before you leave the airport building. You then lumber across the tarmac wearing an ungainly, bright orange survival suit designed to maintain your body warmth if you are pitched into the icy waters of the North Sea.

Once aboard the helicopter you go through a detailed safety drill which culminates in instructions on how to get to a liferaft in the event of ditching.

Even more disturbing for the faint-hearted, you may be told how to grope your way through a submerged helicopter hull to the exit.

These drills have been put into real life operations on a few occasions. Until this week, helicopter traffic in the UK sector of the North Sea had a relatively good safety record, with only two lives lost since exploration started in the Norwegian sector, 18 men died when a craft crashed three years ago.

But the two Bristow Helicopters crashes this week have placed a question mark over helicopter safety.

One man died and 13 were rescued on Wednesday when a Bell 212 ditched near Shell/Eso's Dunlin field, east of the Shetland Islands.

On Thursday a Wessex 541 went down off Norfolk on a flight from the Leman Bank gas field to Amoco's terminal near Norwich. All 13 people aboard are presumed dead, though only nine bodies have been recovered.

Department of trade officials are investigating the causes of both incidents. The helicopter involved in the Dunlin field crash is on the sea bed and its precise position is yet to be located.

Mr Alan Bristow, chairman of the helicopter company, said yesterday the two accidents were "totally unrelated." He believed mechanical failure was responsible for the Norfolk

crash. Explosion, sabotage or engine failure had been ruled out.

Mr Bristow said helicopter safety standards in the North Sea were "about the highest in the world. British Airways and ourselves have set these standards and the rest of the world has followed."

Erstwhile, with a fleet of more than 60 helicopters, is the UK's biggest operator. It is followed by British Airways, with a fleet of more than 30.

Of about 160 helicopters registered with the Civil Aviation Authority, 100 are now working in the North Sea, flying a total of 100,000 hours or 10m miles a year.

The Civil Aviation Authority is responsible for the airworthiness of the aircraft and also controls their movements to and from the shore. But out on platforms the companies have their own traffic controllers, licensed by the CAA, who control inter-field movements.

The growth of the off-shore industry means aircraft movements around fields has increased as workers are shuttled from workplace to floating accommodation vessel and back.

Survival suits are not always worn on these short hops. This was the case in Wednesday's accident, where the Bell 212 was travelling between the Dunlin platform and a floating hotel.

Despite the reasonable safety record of the past, regulations governing the movement of helicopters have been criticised by the British Airline Pilots' Association.

Last year it called for a clear code of conduct for offshore flights.

Discussions between the association and the CAA have led to the formulation of a code — as yet unpublished — which is to be implemented on October 1.

The latest accidents bring to 124 the number of men killed in the British sector of the North Sea since exploration began in the 1960s.

The worst North Sea accident took place in the Norwegian sector in March last year when the accommodation platform Alexander Kieland capsized with the loss of 123 lives.

Martin Dickson reports on what protection measures are taken

£70m Iraq order for GEC offshoot

BY ELAINE WILLIAMS

RUSTON DIESELS, part of the GEC group, has won a £70m contract to supply Iraq with 70 small power stations.

It is believed to be the largest order of its kind for small diesel-fired generators and the contract was won against competition from West Germany, Scandinavia and Japan.

Each power station will generate no more than 2MW of electrical power to supply local industries. It is believed that Iraq has chosen to generate electricity on a small scale for

strategic reasons. In any act of aggression by another country, it would be difficult to destroy many of the small power stations in one air strike. It is believed that Iraq's decision to install the diesel generators is influenced in part by the destruction of the Tamuz nuclear reactor by the Israeli air force in June.

Mr Tarek Aziz, Iraq's deputy Prime Minister, is to visit France later this month for meetings which are likely to include discussions on the possibility of French help in the

reconstruction of the Tamuz reactor, which was French-built. But so far the French authorities have given no definite indication on their response to an approach for assistance.

Ruston, which employs 1,500 at Newton-le-Willows in Lancashire, has less than 18 months to build and install the power stations, which will be sited throughout Iraq.

The company will start delivery of the first generators next month. They will be installed in prefabricated buildings to be shipped out by Ruston.

Mr John Sward, Ruston's managing director, said that more than two-thirds of the company's business came from abroad, to include Iraq, Saudi Arabia, Kuwait, Oman, Jordan, and the United Arab Emirates.

Ruston Diesels is a big supplier of engines to British Rail and has produced every diesel engine for the railway apart from those for the high speed train, which are supplied by a sister company. Its other business includes power generators for offshore oil platforms.

There is a high proportion of modern capacity in the steel castings industry, due partly to a foundry industry aid scheme initiated by the Labour Government in the 1970s, and considerable planning will be required to ensure that the most appropriate mix of plant survives if the scheme goes ahead.

Progress continues to be made. It is hoped that the scheme will come into operation by the New Year.

Both of which have expressed the hope that the scheme will succeed. It has, however, been made clear that no Government funds will be available to support the industry.

The steel castings industry has for a number of years suffered from a decline in orders from many traditional customers such as shipbuilding, railways, construction and engineering, and it is not expected that all the industry's capacity will be required even after an economic upturn.

Lazards put the restructuring proposals together after discussions with the Bank of England and the Department of Industry.

Later this month by the Steel Castings Research and Trade Association to begin tackling the very delicate issue of determining which plant should survive.

Companies which stayed in business would subscribe a 2 per cent levy, based on average sales, for the next five years to compensate manufacturers which opted for closure.

Lazards representatives are heartened by the initial response to the plan. Fewer than 10 per cent of the replies contain total rejections, and these come in the main from organisations where castings operations are vertically integrated into wider group activities.

Much work still has to be done before it can be assumed that the restructuring plan will go ahead. The next move will be at a conference organised

by the Steel Castings Research and Trade Association to begin tackling the very delicate issue of determining which plant should survive.

Companies which stayed in business would subscribe a 2 per cent levy, based on average sales, for the next five years to compensate manufacturers which opted for closure.

Lazards representatives are heartened by the initial response to the plan. Fewer than 10 per cent of the replies contain total rejections, and these come in the main from organisations where castings operations are vertically integrated into wider group activities.

Much work still has to be done before it can be assumed that the restructuring plan will go ahead. The next move will be at a conference organised

by the Steel Castings Research and Trade Association to begin tackling the very delicate issue of determining which plant should survive.

Companies which stayed in business would subscribe a 2 per cent levy, based on average sales, for the next five years to compensate manufacturers which opted for closure.

Lazards representatives are heartened by the initial response to the plan. Fewer than 10 per cent of the replies contain total rejections, and these come in the main from organisations where castings operations are vertically integrated into wider group activities.

Much work still has to be done before it can be assumed that the restructuring plan will go ahead. The next move will be at a conference organised

by the Steel Castings Research and Trade Association to begin tackling the very delicate issue of determining which plant should survive.

Companies which stayed in business would subscribe a 2 per cent levy, based on average sales, for the next five years to compensate manufacturers which opted for closure.

Lazards representatives are heartened by the initial response to the plan. Fewer than 10 per cent of the replies contain total rejections, and these come in the main from organisations where castings operations are vertically integrated into wider group activities.

Much work still has to be done before it can be assumed that the restructuring plan will go ahead. The next move will be at a conference organised

by the Steel Castings Research and Trade Association to begin tackling the very delicate issue of determining which plant should survive.

Companies which stayed in business would subscribe a 2 per cent levy, based on average sales, for the next five years to compensate manufacturers which opted for closure.

Lazards representatives are heartened by the initial response to the plan. Fewer than 10 per cent of the replies contain total rejections, and these come in the main from organisations where castings operations are vertically integrated into wider group activities.

Much work still has to be done before it can be assumed that the restructuring plan will go ahead. The next move will be at a conference organised

by the Steel Castings Research and Trade Association to begin tackling the very delicate issue of determining which plant should survive.

Companies which stayed in business would subscribe a 2 per cent levy, based on average sales, for the next five years to compensate manufacturers which opted for closure.

Lazards representatives are heartened by the initial response to the plan. Fewer than 10 per cent of the replies contain total rejections, and these come in the main from organisations where castings operations are vertically integrated into wider group activities.

Much work still has to be done before it can be assumed that the restructuring plan will go ahead. The next move will be at a conference organised

by the Steel Castings Research and Trade Association to begin tackling the very delicate issue of determining which plant should survive.

Companies which stayed in business would subscribe a 2 per cent levy, based on average sales, for the next five years to compensate manufacturers which opted for closure.

Lazards representatives are heartened by the initial response to the plan. Fewer than 10 per cent of the replies contain total rejections, and these come in the main from organisations where castings operations are vertically integrated into wider group activities.

Much work still has to be done before it can be assumed that the restructuring plan will go ahead. The next move will be at a conference organised

by the Steel Castings Research and Trade Association to begin tackling the very delicate issue of determining which plant should survive.

Companies which stayed in business would subscribe a 2 per cent levy, based on average sales, for the next five years to compensate manufacturers which opted for closure.

Lazards representatives are heartened by the initial response to the plan. Fewer than 10 per cent of the replies contain total rejections, and these come in the main from organisations where castings operations are vertically integrated into wider group activities.

Much work still has to be done before it can be assumed that the restructuring plan will go ahead. The next move will be at a conference organised

by the Steel Castings Research and Trade Association to begin tackling the very delicate issue of determining which plant should survive.

Companies which stayed in business would subscribe a 2 per cent levy, based on average sales, for the next five years to compensate manufacturers which opted for closure.

Lazards representatives are heartened by the initial response to the plan. Fewer than 10 per cent of the replies contain total rejections, and these come in the main from organisations where castings operations are vertically integrated into wider group activities.

Much work still has to be done before it can be assumed that the restructuring plan will go ahead. The next move will be at a conference organised

by the Steel Castings Research and Trade Association to begin tackling the very delicate issue of determining which plant should survive.

Companies which stayed in business would subscribe a 2 per cent levy, based on average sales, for the next five years to compensate manufacturers which opted for closure.

Lazards representatives are heartened by the initial response to the plan. Fewer than 10 per cent of the replies contain total rejections, and these come in the main from organisations where castings operations are vertically integrated into wider group activities.

Much work still has to be done before it can be assumed that the restructuring plan will go ahead. The next move will be at a conference organised

Lazards representatives are heartened by the initial response to the plan. Fewer than 10 per cent of the replies contain total rejections, and these come in the main from organisations where castings operations are vertically integrated into wider group activities.

Much work still has to be done before it can be assumed that the restructuring plan will go ahead. The next move will be at a conference organised

by the Steel Castings Research and Trade Association to begin tackling the very delicate issue of determining which plant should survive.

Companies which stayed in business would subscribe a 2 per cent levy, based on average sales, for the next five years to compensate manufacturers which opted for closure.

Lazards representatives are heartened by the initial response to the plan. Fewer than 10 per cent of the replies contain total rejections, and these come in the main from organisations where castings operations are vertically integrated into wider group activities.

Much work still has to be done before it can be assumed that the restructuring plan will go ahead. The next move will be at a conference organised

by the Steel Castings Research and Trade Association to begin tackling the very delicate issue of determining which plant should survive.

Companies which stayed in business would subscribe a 2 per cent levy, based on average sales, for the next five years to compensate manufacturers which opted for closure.

Lazards representatives are heartened by the initial response to the plan. Fewer than 10 per cent of the replies contain total rejections, and these come in the main from organisations where castings operations are vertically integrated into wider group activities.

Much work still has to be done before it can be assumed that the restructuring plan will go ahead. The next move will be at a conference organised

by the Steel Castings Research and Trade Association to begin tackling the very delicate issue of determining which plant should survive.

Companies which stayed in business would subscribe a 2 per cent levy, based on average sales, for the next five years to compensate manufacturers which opted for closure.

Lazards representatives are heartened by the initial response to the plan. Fewer than 10 per cent of the replies contain total rejections, and these come in the main from organisations where castings operations are vertically integrated into wider group activities.

Much work still has to be done before it can be assumed that the restructuring plan will go ahead. The next move will be at a conference organised

by the Steel Castings Research and Trade Association to begin tackling the very delicate issue of determining which plant should survive.

Companies which stayed in business would subscribe a 2 per cent levy, based on average sales, for the next five years to compensate manufacturers which opted for closure.

Lazards representatives are heartened by the initial response to the plan. Fewer than 10 per cent of the replies contain total rejections, and these come in the main from organisations where castings operations are vertically integrated into wider group activities.

Much work still has to be done before it can be assumed that the restructuring plan will go ahead. The next move will be at a conference organised

by the Steel Castings Research and Trade Association to begin tackling the very delicate issue of determining which plant should survive.

Companies which stayed in business would subscribe a 2 per cent levy, based on average sales, for the next five years to compensate manufacturers which opted for closure.

Lazards representatives are heartened by the initial response to the plan. Fewer than 10 per cent of the replies contain total rejections, and these come in the main from organisations where castings operations are vertically integrated into wider group activities.

Much work still has to be done before it can be assumed that the restructuring plan will go ahead. The next move will be at a conference organised

by the Steel Castings Research and Trade Association to begin tackling the very delicate issue of determining which plant should survive.

Companies which stayed in business would subscribe a 2 per cent levy, based on average sales, for the next five years to compensate manufacturers which opted for closure.

Lazards representatives are heartened by the initial response to the plan. Fewer than 10 per cent of the replies contain total rejections, and these come in the main from organisations where castings operations are vertically integrated into wider group activities.

Much work still has to be done before it can be assumed that the restructuring plan will go ahead. The next move will be at a conference organised

More jobs go at Marconi factories

By Elaine Williams

MARCONI ELECTRONICS, part of the GEC group, is to make 100 of its 600 workers at Chelmsford, Essex, redundant. These redundancies, announced yesterday, come within days of 90 at another GEC subsidiary, Marconi Radar, also at Chelmsford.

Most jobs lost at Marconi Radar will be by administrative staff who provide a service for the other Marconi companies, which will become responsible for their own administration.

Unions have said that they will fight the closures at Chelmsford, hit by several job cuts recently.

Marconi Radar has warned that it may announce 1,000 more redundancies in September if it does not win a £10m Government contract.

Aberdeen oil consultancy designs Arctic drilling rig

BY JAMES McDONALD

A \$180m (£100m) semi-submersible oil drilling rig able to endure lengthy periods in Arctic conditions has been designed by Management Audit and Control Services (MACS), an Aberdeen firm of consultants to oil-related industries.

A model of the six-column twin pontoon rig—which could also be used for production purposes—is undergoing tests at the Warilla laboratories in Finland. It has been designed in Swedish steel to cope with temperatures down to minus 50 degrees Centigrade.

The \$180m cost of building the rig—based on some Scandinavian shipyard quotations—is about 50 per cent more than for an equivalent rig built for less hostile operating conditions, say in the North Sea.

The design is being offered by MACS for charter inquiries. Mr John McLean, the chief executive, said in London yesterday he was having talks with four major oil companies and two drilling contractors.

MACS claims that the rig—named the Ice Maiden—would be able to withstand isolation periods of over three months in Arctic waters. The pontoon and columns would also incorporate a number of de-ice features.

The rig would have a computer-controlled direct positioning system using thrusters and would be able to survive in 25-metre seas.

Motorcycles design ALL NEW motorcycles will soon have to be fitted with direction indicators, Mr Kenneth Clarke, parliamentary under-secretary of state for transport, said that he would be consulting on regulations shortly.

IMPALA PLATINUM HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

PRELIMINARY PROFIT STATEMENT AND DECLARATION OF FINAL DIVIDEND

The unaudited consolidated income statement for the year ended 30 June 1981 and comparative figures for the previous year show:—

	Year ended 30 June 1981	1980
Group Profit (Note 1)	204,324	207,638
Less: Taxation and lease consideration (Note 2)	79,577	88,438
Group profit after tax and lease consideration	124,747	119,200
(120 cents per share—1980, 207 cents per share)		
Add: Retained surplus brought forward	8,633	6,033
Available for appropriation	133,380	125,233
Dealt with as follows:		
Amount transferred to reserve for expenditure on mining assets	46,000	59,000
Dividends to shareholders	63,415	57,650
Retained surplus	25,965	8,633

In the light of the above results the directors have declared a final dividend of 75 cents (South African currency) per share. This will absorb R43,237,000 leaving a retained surplus of R25,965,000 which the directors consider to be prudent in view of present uncertain economic conditions and loan repayment commitments.

An interim dividend of 35 cents per share was declared in February 1981 and total dividends in respect of the year have thus amounted to 110 cents per share absorbing R63,415,000 (1980: 100 cents, R57,650,000).

NOTES:

- The profit for the year has been arrived at after accounting, inter alia, for the following items:—
 - Interest paid: R5,182,000 (1980: R5,774,000).
 - Royalties due to the Bafokeng Tribe and the Government of Bophuthatswana in terms of the cession to Impala Platinum of the mining leases: R16,001,000 (1980: R15,454,000).
- Lease consideration and taxation payable by the Group for the year to 30 June 1981, are estimated to be:—

	1981	1980
Bophuthatswana		
Lease consideration	28,103	31,809
Normal tax		
Non-resident shareholders' tax in respect of dividends paid or payable by Impala Platinum to the holding company	6,561	
South Africa		
Normal tax	18,687	
United Kingdom		
Corporation tax	3,411	
Less: Release from deferred tax	3,994	(5,583)
	79,577	

- Capital expenditure by Impala Platinum during the year amounted to R45,998,000 (1980: R52,412,000).

MARKET

Industrial demand for platinum has remained steady in spite of the weakness in the automobile, electronics and glass sectors. Reduced consumption by these industries has largely been offset by improved demand from the Japanese jewellery industry. Strong speculative and investment interest in platinum, evident in the last six months of 1980, has declined sharply. This current lack of interest in free market metal together with the influence of a falling gold price has resulted in the present low free market price of platinum. Markets for the other platinum group metals have weakened significantly, particularly during the last six months.

PRODUCTION

Last year it was indicated that platinum production for the year ending 30 June 1981 might reach 975,000 ounces. This production rate was not attained as it was considered prudent in the economic climate to slow down the rate of mine expansion. The present rate of production is some 940,000 ounces per annum. Capital expenditure during the year to 30 June 1982 is estimated to be of the order of R45,000,000.

RESULTS AND FUTURE OUTLOOK

Notwithstanding metal market fluctuations experienced, the Impala Group of companies achieved satisfactory results for the year. This position could be maintained in the current financial year provided that the business climate, particularly in the U.S.A., improves.

On behalf of the board
E. PAVITT — Chairman
R. C. BOVELL — Managing Director

DECLARATION OF FINAL DIVIDEND

A final dividend of 75 cents per share in respect of the year ended 30 June 1981, making a total of 110 cents for the year, has been declared payable to members registered in the books of the company at 28 August 1981.

The register of members will be closed from 31 August to 4 September 1981 inclusive.

Dividend warrants will be posted on or about 1 October 1981. The dividend is payable subject to conditions which may be inspected at either the Johannesburg office or the London transfer office of the company.

per pro. GENERAL MINING UNION CORPORATION (U.K.) LIMITED

London Secretaries

L. J. Baines

London Transfer Office:

Hill Samuel Registrars Limited

6 Greenock Place

London SW1P 1PL

14 August 1981

London Office:

30 Ely Place

London

EC1N 6UA

ECIN 6UA

ECIN 6UA

ECIN 6UA

ECIN 6UA

ECIN 6UA

ECIN 6UA

ECIN 6UA

ECIN 6UA

ECIN 6UA

ECIN 6UA

ECIN 6UA

ECIN 6UA

ECIN 6UA

ECIN 6UA

Benn and Healey camps still seeking crucial allies

NOMINATIONS CLOSED yesterday for the Labour Party's deputy leadership contest with three candidates officially in the field, and a great deal of blood on the floor.

After five months of acrimonious campaigning — which has proved every bit as divisive as Mr Mitchell Foot, the party's leader feared — the only thing that the supporters of Mr Tony Benn and Mr Denis Healey agree on is that the result is still to play for, and that the lobbying will go on until the moment the votes are cast in the final round on the Sunday before the party conference.

According to Mr Benn's supporters, he is only 0.5 per cent away from victory on the basis of votes committed to him.

Mr Healey's camp claims that Mr Benn's figures are based on shaky assumptions. But they admit that it is likely to be a far closer result than they expected.

THE WEEK IN THE MARKETS

Shares sense a revival

The equity market has been in a holiday mood this week, prices drawing strength from tentative signs of an upturn in industrial production and a slight fall in UK and U.S. interest rates. The FT 30-Share Index bounded up 29 points to 344.90 over the first three days of the week and Thursday's setback had been clawed back by mid-afternoon yesterday.

The strength of the index was partly explained by the shortage of supply in the market. Jobbers were not prepared to finance a high level of stock at current interest rates when trading was expected to be slack. So a few buying orders on Tuesday forced them to mark up their prices. By Wednesday evening, the FT Actuaries All Share Index was standing at a record high of 334.90.

At the same time the market had evidently been encouraged by evidence of an upturn in the economy. An optimistic survey by the London Chamber of Commerce and Industry had its conclusions corroborated by the higher industrial output figures for June. At the same time, interest rates in both the U.S. and the UK seemed to have come off the top and interim figures from some UK companies, such as BBC, were underlining how the weaker pound would help second half profits.

The major insurance groups with a large slice of their business coming from North America are having an unhappy time at present. Commercial Union and General Accident, reporting on Tuesday, both saw underwriting losses in the U.S. and Canada soar. CU's losses in the U.S. nearly tripled to £41.7m, while GA's more than doubled to £11.7m. Canada was also terrible for the CU with losses more than tripling to nearly £10m.

But the impact of these North American losses was much more severe on CU than on GA. CU's overall losses more than doubled from £23m to £57m, with pre-tax profits cut by a third to £38m. GA in contrast saw underwriting losses rise by only a quarter to £22m and improved pre-tax profits by nearly one-third to £31m.

This contrasting picture highlights the effects of the U.S. down-cycle on different mixes of business and different types of operation. CU has embarked on an expansionist tack in the

LONDON ONLOOKER

U.S. with a 32 per cent increase in premium income. This has sent its expense ratio soaring. GA in contrast is sticking with its existing business and had a 5 per cent rise in premium income. It is thus riding out the U.S. downcycle better than CU.

Canada is still a disaster market and it will be some time before the rate increases now being implemented reverse the current trend of steeply-rising losses. CU with its greater Canadian exposure is suffering accordingly.

Both groups recorded a profit in the UK market, at present the only sensible major insurance market in the world. But CU has always done well in the UK, while GA with its heavy involvement in motor and personal lines had experienced a more volatile result from the higher industrial output figures for June. At the same time, interest rates in both the U.S. and the UK seemed to have come off the top and interim figures from some UK companies, such as BBC, were underlining how the weaker pound would help second half profits.

The outlook for the rest of the year is bright for GA and gloomy for CU. The market expects CU's underwriting loss to soar beyond the £100m mark and pre-tax profits could fall

by a fifth to £80m. GA's higher underwriting losses should be comfortably offset by its buoyant investment income and pre-tax profits may well pass the £100m for the first time.

GA was more than justified in lifting its interim by one-fifth, but CU could really only defend its 10 per cent increase by reference to a dividend formula which links the interim to the previous year's declaration. The shadow of a predator waiting to pounce through a dawn raid is still lurking despite CU's denial of any evidence of a major share build up.

Stitch in time

Rationalisation must be its own reward because shares in the troubled textile group, Carrington Virella, have outperformed the stock market by 36 per cent this year to reach 164p.

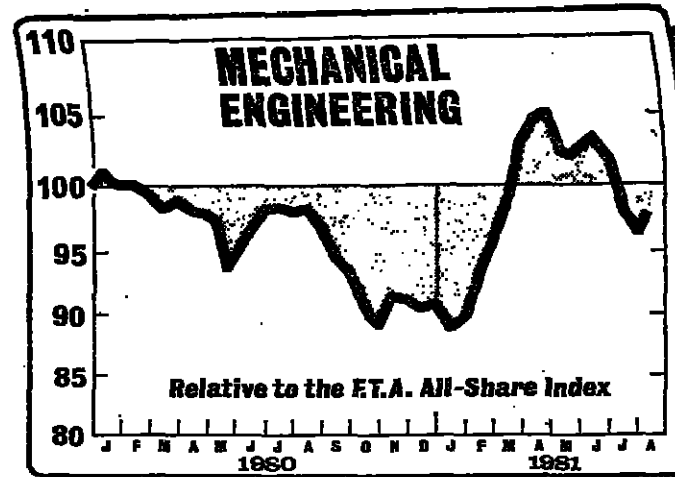
The tale of the textile industry is a massive one, which some would describe as only a belated attack on costs and those parts of the market which are no longer deemed defensible.

Carrington's strenuous exertions along these lines have pulled trading profits up to £0.3m at the interim stage against a deficit of £1m in the second half of 1980. Loss elimination in home furnishings and carpets were an integral part of the interim story as were higher profits from South

Africa. The group's initial success at the trading level, however, is still blotted out by debt servicing costs of £4m although these interest charges should now be on a downward course.

will be dominated by the cash realised on the sale of a half stake in the South African operation, the favourable seasonal bias of borrowing in the second half and the extent to which management can pull yet more cash out of working capital. Further asset sales may be on the cards but Carrington Virella is still going to have to work very hard indeed to pay anything other than a notional dividend this year, to preserve trustee status.

The South African deal will increase minority debts and there remains the servicing of the preference stock. It does not seem likely that borrowings will fall very much below £50m by the year end—against current shareholders' funds of £72m—although the group is confident that it can still carry sufficient additional debt to fund any upturn in volume. But the weight of gearing which impedes operations, still points to the need for extra equity finance at some future date. The extent to which its big shareholder, ICI, or the professional money men would be willing to become involved in a permanent funding scheme



for Carrington Virella turns on the level of trading profits which can now be pulled out of annual sales of about £260m.

Illingworth's leg-trap

White knights are galloping over the Pennines. That is the view stock market speculators are taking of the messy Illingworth Morris affair, where the group's directors are locked in dispute with the tempestuous Mrs Pamela Mason, who controls 46 per cent of the shares in this loss making wool textile group.

Since the former wife of film star James Mason started to stir things up about a month ago, the price of the voting shares has jumped by two-fifths. And the premium over the non-voting shares has widened noticeably. The speculation is that the row could be resolved by some outsider, who might get a running start at an outright bid by buying the Mason stake.

The combined capitalisation of the voting and non-voting shares is roughly £63m. This compares with net assets of over £200m, and annual sales of nearly £100m.

But a bidder would have to cope with an awful lot of problems, quite apart from any fallout from the present explosion. Illingworth Morris has some good bits, but it also has some major trouble spots, notably in its weaving operation. It lost £2.4m before tax in the year to March, or £4.1m on a current cost basis. And it has a great deal of debt—nearly £30m at the last count, which is secured on the group's assets.

These are not the kind of numbers that would attract an asset stripper, and many of the world's leading textile companies already have enough worries of their own. Maybe

the current brouhaha will attract a predator—but if it does not, the shares will be vulnerable.

AP in neutral

Dividend cuts and losses in the last 12 months have had little effect on the Automotive Products share price. At a few pence over 60p at the end of the week, the prospective yield is going to be not much better than 5 per cent if the final comes down in line with this year's interim fall.

AP's direct exports have fallen by £5m from their level of the second half last year to £24m. Worse, the after market—which is the area where most parts manufacturers gain most of their profits—is still very dull.

As AP was explaining during the week, "the improvement in sales levels, particularly in the highly important replacement parts market, is a slower rate than was expected while the continuation of interest rates at historically high levels imposes a heavy burden on the company and delays re-stocking by its customers."

The group paid a further £147m for redundancies in a bid to match capacity with demand during the half year which brought its interim losses to almost £3m compared with a profit of £3.7m in the corresponding period last year.

But the group came back into the black in May, as brokers Henderson Crosthwaite & Co. pointed out, a couple of months ago and now expects to achieve seven profitable months production this year.

More favourable currency parities will help a group which derives about 50 per cent of its sales overseas, particularly when it has invested heavily to supply Detroit directly.

Hot and sticky

NEW YORK IAN HARGREAVES

WALL STREET, befuddled by the hot, damp blanket which passes for summer in New York, wandered further into the maze this week.

There was not too much macroeconomic news to stir the market. The Government did report a surprisingly brisk growth in July retail sales, a development which in different times would raise hopes about the prospects for the consumer goods sector.

The producer price inflation figures also came in as good as expected yesterday and President Reagan was pictured with his cowboy boots on the table at his California ranch, signing into law his landmark tax and budget bill.

But the stock market continues to view these positive developments through the haze of the bond market, which this week made no progress on interest rates as the Fed sat on the sidelines. Pessimists are latching on to widespread calculations that the Government deficit will be greater than last year's forecast and that this will put pressure on Wall Street.

But beneath this overall neutral umbrella of the economy, there were plenty of interesting strings to follow in the market.

On interest rates, although there is plenty of activity, interest-rate sensitive stocks like utilities, which borrow heavily in the bond market, did well last week, taking the Dow Jones index of utility stocks from 11.49 on Monday to 114.64 on Thursday night.

Even bank stocks got a look-in for a while, although they were not generally able to hold on to their gains. Whether this was the stock market reacting to the bond market or perceiving a future trend is a matter of judgment.

The transportation index also did well (up from 402.50 to 402.74), something which may appear curious in the light of the air traffic controllers' strike, which for a while last week looked as if it would have much more disruptive effect than imagined upon international traffic.

But the problems with Canadian air traffic controllers sorted themselves out, investors returned to the conclusion that for the airlines, the strike might be a good thing, enabling them to chop out less travelled routes, cut down on discount fares, reduce staff and increase load factors.

This analysis, in fact, is quite a gamble, because in the early market on another advance.

stages of the strike, the carriers are certainly suffering. If the strike were to end quickly, the airlines would have suffered these losses without the subsequent benefits. In effect Wall Street is betting on a prolonged strike.

There was also a buzz in the electronics community caused by the unveiling of IBM's new personal computer, which will go on sale this October. IBM's stock rose in anticipation of the event and then went down again after the announcement, showing little net change. The market thought, however, that some of IBM's competitors in this field, notably Apple, Prime Computer and Tandy, were certain to suffer and their prices retreated. The predominant view is that IBM's entry into this field will primarily make the market glow rather than add to anyone else's. Certainly, IBM announced contained no unpleasant shocks for the other personal computer manufacturers.

Wall Street had its own drama in the shape of the decision by the troubled John Muir brokerage house to sell its retail business following a wave of problems with lawsuits alleging that Muir had misrepresented the condition of some small companies it brought to market during the hot new stocks boom of the last year.

Mr Muir is not a quoted company, the main interest for investors in this affair is at least as many losers as winners in the bright, young company market. Many of the companies Muir helped to go public are today trading at lower than their initial offer prices.

Finally, the oil. This is still the area of most intense professional interest in the market as Wall Street plays its guessing game about possible mergers. Secondary oil stocks are still fluctuating widely as a result of the crest of a general upturn.

The biggest worry for the rest of the market is what will happen when this strength in the energy sector fades. There is still no sign of sufficient intervention in basic industrial stocks, high technology stocks or consumer stocks to lead the

MONDAY 943.68 +1.14
TUESDAY 949.30 +5.63
WEDNESDAY 943.21 -4.09
THURSDAY 944.35 -0.86

MARKET HIGHLIGHTS OF THE WEEK

	Price	Change	1981	1981	
	y/day	on week	High	Low	
F.T. Ind. Ord. Index	572.5	+34.6	597.3	446.0	Institutional buying/thin market
F.T. Govt. Secs. Index	64.91	+0.91	70.61	43.12	Interest rate hopes
F.T. Gold Mines Index	371.2	+33.6	421.1	262.1	Upturn in bullion prices
BCC International	165.5d	+20.1	165	101	Good 3rd-1 figures
Babcock Int.	126	+18	147	88	Revival in Engineers
Blue Circle	478	+20	496	326	Interim results due soon
BP	338	+18	415	278	Awaiting OPEC meeting
Davies and Metcalfe "A"	48	+23	48	13	Increased int. div. and pfts.
Dupont	131	+4	20	7	Investment recommendation
Geers Gross	149	+21	150	52	Speculative demand
General Accident	384	+30	384	284	Better-than-expected int. figs.
Grand Metropolitan	219.2d	+18	222	138	Revived investment demand
Horizon Travel	294	+24	294	117	Interim results due Monday
Howard Shuttling	45	+10	45	24	Better-than-expected results
Northgate Exploration	400	+90	420	300	Irish demand
Plessey	392	+36	392	235	Market trend
Securicor	198	+33	198	160	Good interim results
Trusthouse Forte	152.2d	+15.1	170	116.1	Revived investment demand
Tube Invs.	156	+20	240	126	Half-year results
Ultramar	536	+21	537	420	Interim figures

To late to claim

FINANCE AND THE FAMILY

BY OUR LEGAL STAFF

Six months ago I bought a moderately priced electronic organ and (I am a good pianist) until recently did not use the pedals as it has a manual facility for base notes.

However about a month ago I became interested in playing the foot base pedals. Since then, sticking of the same pedals has occurred, and got worse, which of course ruins playing.

After this length of time, can I claim return and money back? Your rights appear to be governed by the Sale of Goods Act, 1979. Under this Act, there is no formal limitation of your rights, except the usual six years. However, under the circumstances it might well be that you could not get your money back, because the seller would contend that the defects occurred while the instrument was in your possession, due, say to dampness or misuse.

Complexity of blight

I live abroad, but own land in England part of which has been reserved for a new by-pass since 1947. Is there any means available to the layman in my position to obtain justice by forcing an authority to purchase land they have blighted for 34 years?

It is possible that you may be able to serve a "blight notice" on the highway authority, requiring it to purchase your land. However, the criteria for qualifying to serve such a notice are complex, and you would be wise to instruct a solicitor in England.

Strangers living together
Miss X and I have lived together as common law wife and husband for some ten years. We have no intention of marrying, but intend to remain together always. We hold all our assets jointly—cash deposits, current account, our house and securities. What will be the position with regard to capital transfer tax upon the death of either of us, i.e. how will the estate of the deceased be calculated?
The position as to Capital Transfer Tax will be the same as if you were strangers, i.e. the amount of the half share of the first to die will fall to

be computed as part of the value deemed to pass on death, and the whole will come into account on the death of the survivor.

Rewiring and VAT

I am considering having my premises electrically rewired. The lighting will be replaced, but the power plugs will be new installation. Will V.A.T. be charged on the whole or part and if so would it be better to have two accounts?

The rewiring is a replacement subject to V.A.T. but that which is not will be zero rated. The firm making the installation will have to split its charges between the two items otherwise the whole cost will be subject to V.A.T.

An option on a maisonette

In February a new development of maisonettes was advertised with prices from £31,950 to £33,950. On February 15 I paid over to the developers the sum of £100 by way of initial deposit at a unit price of £23,950 with a promise that this price would be fixed, and that in the event of the sale being cancelled then £25 would not be refunded. A week later the prices were raised from £33,950 to £35,950, and it is expected that the block of 12 will be completed in September-October. Unfortunately I shall be unable to take possession. Do you

think it would be possible for me to sell the option on the maisonette in my name, pay the deposit when due and sign the contract, subsequently selling the property, or should I cancel my purchase with the loss of £25?

You may be able to enter into a contract at the lower price and then sub-sell or assign the benefit of the contract if there is no prohibition of sub-sale or assignment in the contract. You would of course need to be reasonably certain of finding a sub-purchaser.

Evidence for the Revenue
In order to satisfy the Inland Revenue authorities that a settlement which has two offshore trustees and one UK trustee is managed and administered from abroad, what evidence would the Inland Revenue require to satisfy it that the settlement is a Non-Resident Trustee? The only answer we can give is that the Revenue will require whatever evidence is reasonably necessary to establish that the criteria set out in section 52 of the Capital Gains Tax Act 1979 are fulfilled. It is likely that corporate trustees would find the burden of evidence lighter than individuals, in most cases.

Payment on the last day
My employer pays me by handing me a cheque on the last day of the month, or, if that

should be on a Saturday or a Sunday, the preceding Friday. The time chosen is usually too late to enable me to bank the cheque the same day. I believe that I should have use of my month's salary on the last day of the month, but by the above procedure there is a delay of two or three days before it is credited to my bank account. Is my belief supported in law and do you have any suggestions for dealing with the problem?

We know of no basis for requiring the payment by cheque to be earlier than the last banking day of the month. If you are unhappy with this you should try to arrange to be paid in cash. In fact, of course, after the first month of your employment the interval between the dates when your account is credited will be the same.

Rateable occupation

I have been having trouble with the Local Authority rates department regarding my property which has been rated since September 1, 1980. Could you advise me as to the effect on possible rates of: (1) working the land on an agricultural basis; (2) use of it for occasional occupation of touring caravan; (3) my presence in order to complete the maintenance work.

We think that either of your first two heads would constitute rateable occupation of the land. However merely coming onto the land to do building or maintenance works there would probably not amount to rateable occupation.

A topped up mortgage and tax
About two years ago I moved nearer to my work at the request of my employer, who agreed to "top up" my new mortgage above the £24,240 maximum available from the building society. My company provided an interest free bridging loan and subsequently a longer term loan of £10,000 repayable over ten years bearing interest at 10 per cent, against a second mortgage. The tax inspector initially calculated the allowance at £3,415 per year by taking the £10,000 loan as the first slice and £15,000 at the building society rate for the rest. I suggest that the interest on the £24,240 first mortgage should be the first slice and the interest of £660 at 10 per cent the second. Calculated this way the tax allowance would be £3,309. The Inspector has now offered to take the two loans

as starting on the same day and averaging the interest to arrive at an allowance of £3,577. This offer was made after my employer had confirmed that the company made their loan conditional on the building society agreeing to provide the first mortgage. I still believe my allowance should be £3,309—who is right?

You will find general guidance in a free booklet, IR11 (Tax treatment of interest paid), which is obtainable from most tax inspectors' offices. From this booklet, you will see that the answer to your question depends upon more facts than you have given us. On the bare facts provided, however, it looks as though the Inspector's original calculation was strictly correct—and he appears now to be offering you a concession by treating the two loans as having been made simultaneously in 1979.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

should be on a Saturday or a Sunday, the preceding Friday. The time chosen is usually too late to enable me to bank the cheque the same day. I believe that I should have use of my month's salary on the last day of the month, but by the above procedure there is a delay of two or three days before it is credited to my bank account. Is my belief supported in law and do you have any suggestions for dealing with the problem?

We know of no basis for requiring the payment by cheque to be earlier than the last banking day of the month. If you are unhappy with this you should try to arrange to be paid in cash. In fact, of course, after the first month of your employment the interval between the dates when your account is credited will be the same.

Rateable occupation

I have been having trouble with the Local Authority rates department regarding my property which has been rated since September 1, 1980. Could you advise me as to the effect on possible rates of: (1) working the land on an agricultural basis; (2) use of it for occasional occupation of touring caravan; (3) my presence in order to complete the maintenance work.

We think that either of your first two heads would constitute rateable occupation of the land. However merely coming onto the land to do building or maintenance works there would probably not amount to rateable occupation.

A topped up mortgage and tax
About two years ago I moved nearer to my work at the request of my employer, who agreed to "top up" my new mortgage above the £24,240 maximum available from the building society. My company provided an interest free bridging loan and subsequently a longer term loan of £10,000 repayable over ten years bearing interest at 10 per cent, against a second mortgage. The tax inspector initially calculated the allowance at £3,415 per year by taking the £10,000 loan as the first slice and £15,000 at the building society rate for the rest. I suggest that the interest on the £24,240 first mortgage should be the first slice and the interest of £660 at 10 per cent the second. Calculated this way the tax allowance would be £3,309. The Inspector has now offered to take the two loans

as starting on the same day and averaging the interest to arrive at an allowance of £3,577. This offer was made after my employer had confirmed that the company made their loan conditional on the building society agreeing to provide the first mortgage. I still believe my allowance should be £3,309—who is right?

You will find general guidance in a free booklet, IR11 (Tax treatment of interest paid), which is obtainable from most tax inspectors' offices. From this booklet, you will see that the answer to your question depends upon more facts than you have given us. On the bare facts provided, however, it looks as though the Inspector's original calculation was strictly correct—and he appears now to be offering you a concession by treating the two loans as having been made simultaneously in 1979.

Of 1987 and all that

IT'S ONLY six years away. And it probably won't seem to have taken that long to get there when we arrive at 1987. Assuming, of course, that the world will still be more or less in one piece, both physically and economically, how will share and commodity prices compare with those of today?

Why are we looking specifically at 1987? Well, for a start, those who have to take decisions in the mining industry usually have to look some six or seven years ahead. Indeed, that is why South Africa's Anglo American Corporation last year commissioned Dr H. W. Brock of California to carry out a comprehensive study of what makes the gold price tick.

He will be discussing the results of his researches before an invited audience in London on September 3 when he will make a brave attempt to forecast the likely level of gold prices in 1987. It will be very surprising if his projections do not indicate a price well above today's levels.

As far as the near term is concerned, the outlook is still very uncertain but there is a feeling that the price has bottomed. At least, it can be said that bullion is very resistant to any bullish factors for the price.

On Wednesday, for instance, the price jumped \$10.50 to \$416 per ounce on a combination of weakness in the U.S. dollar and talk of lower interest rates. The rise proved short-lived, as did the weakness in the dollar, but the feeling remains that if base metals maintain their rising trend they could bring the inflationary pressures which yesterday gold rose \$8.50 to \$414.

Meanwhile base metals remain firm and it is pleasing to note that, as I suggested last week, buyers have now returned to the good-class Australian mining issues which previously had been losing ground while the rest of the field was moving up. Thus we have seen some good rises in the shares mentioned.

Western Mining have put on 35p to 326p, MIM Holdings—which has raised its copper price five times in the past month—have gained 33p to 277p and Peko-Wallaseid have advanced 75p to 450p; the last-named has been boosted by talk that it has a major copper and gold find at Parkes in New South Wales.

CRA, however, are not much changed on balance, whereas shares of the parent Rio Tinto Zinc have been very lively. Once again vague take-over talk has been in the air and various suggestions have been put forward while RTZ maintains its strict "no comment" policy.

Because of the sheer size of RTZ's share price capitalises the company at over £1.5bn—a predator capable of mounting an adequate bid would have to be very big indeed. Such giants are to be found in the U.S. oil industry, but political barriers could be put in their way.

On the other hand, it is quite possible that a U.S. oil major might be able to acquire a sizeable holding in RTZ which

MINING KENNETH MARSTON

would safeguard the British group from other approaches and at the same time provide a big inflow of funds.

It will be recalled that in 1978 the U.S. Exxon was in talks with RTZ regarding an acquisition of an interest in the latter, but these were later dropped in favour of participation in joint projects.

While the market waits to see whether the current recovery in base metal prices will prove to be justified, and hopes are growing on this score, it is generally considered that by 1987 the prices will be much higher than they are now.

It is argued that by then living standards in the developing world will have risen—not a lot, maybe, but enough to

generate a big demand for metals—and capacity of the existing mines and those now being developed could be stretched to satisfy market demand. Furthermore, the pressure of mine costs, both in operation and construction will require higher metal prices.

So when we look at share prices in 1987 of the natural resource shares—should be have stopped using the old-fashioned terms "mining" and "oil" companies—the prices should be well above the current levels. On this basis, my view that good-class natural resource stocks should be locked away for the future still stands.

Those of the Australian companies already mentioned qualify in this respect and so do RTZ despite the relatively high level of the current price. U.S. groups such as Asarco, Newmont and Phelps Dodge also come into the picture.

Amex also appeals although in this case there are some reservations about the group's important molybdenum earnings in view of the increased world production capacity of this metal that is being lined up.

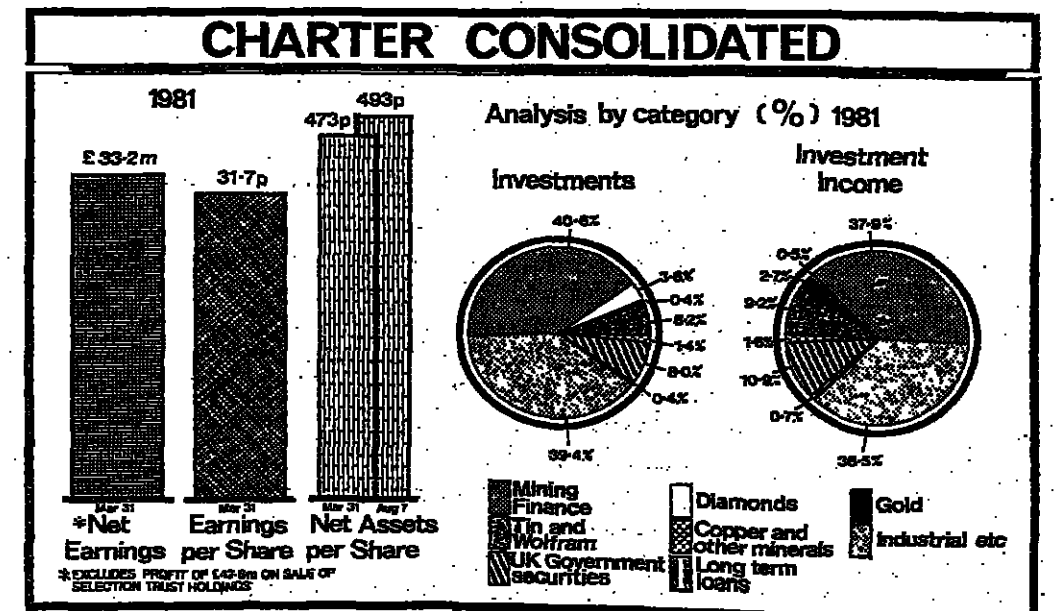
A six-year view of South African companies cannot be taken with any confidence because of political uncertainties. Although Mr Barry Oppenheimer is anxious that the country should adopt more progressive racial policies he is also a realist.

He said recently that neither the government nor industrialists, "should expect either gratitude or praise from black politicians or workers for the changes they are seeking to bring about. On the contrary, such advances are likely to be met by new demands, heightened unrest and the open expression of hostility."

Of course, Mr Oppenheimer still has great faith in the future of South Africa, but diversification is no bad thing and his Anglo American group has set in train a major move into the international sphere via the enlargement of the Bermuda-based Minerals and Resources Corporation (Minroco) into "a major international mining finance group."

An important step forward in this direction comes with the \$500m merger of the world's largest commodity trader, the U.S. Phibro, with Salomon Brothers, a leading investment banking firm on Wall Street. Minroco has a 27 per cent stake in Phibro and will now participate in the fortunes of one of the world's greatest investment banks capable of financing large natural resource ventures.

At around 675p Minroco shares are far from cheap on the basis of near term earnings and assets. But great possibilities could be opened up via the Phibro-Salomon connection and the allied to Minroco's own assets and strong finances could make today's price look cheap in 1987.



At Tuesday's annual meeting of Charter Mr

YOUR SAVINGS AND INVESTMENTS

Tim Dickson looks at the changing face of Britain's biggest unit trust company

S & P's new prosperity

MAJOR CHANGES have taken place over the last month at Save and Prosper, Britain's biggest unit trust group and manager of total funds in excess of £1.3bn.

In quick succession the company has been taken over, its chairman has retired and three new directors, who took their seats on the board earlier this week, have been appointed.

The speed and apparent scale of these moves might suggest a palace revolution at the company's Great St Helens headquarters, but in fact nothing of the sort has been happening. Recent events are the logical outcome of developments which started at least 18 months ago.

Until the middle of July, Save and Prosper had three major shareholders — Atlantic Assets (the Ivory and Sime investment trust) and merchant bankers Baring Brothers and Robert Fleming each of whom held 33.3 per cent of the company. The company's assets were valued at £1.3bn and 5.6 per cent respectively with the balance in the hands of executive directors and employees.

This tripartite arrangement, which dates back to the emergence of S and P in its present form at the beginning of the 1960s, had been proving unsatisfactory for some time and in many people's view the

lack of a dominant voice in the company's affairs had contributed to its relative decline as a force in the savings industry over the last decade.

It had also been clear that Ivory and Sime and Baring Brothers were keen to sell out and it was therefore logical that Robert Fleming, which in recent years had been closer to S and P than the other two should assume overall control last month. Fleming will own just over 50 per cent with Atlantic Assets and Baring retaining 4.7 and 5 per cent respectively.

Fleming has emphasised that it will keep its distance from the new subsidiary and the message from S and P is very much "business as usual". The investment management team will remain independent and the group will continue to develop its unit trust and life insurance activities along existing lines.

As controlling shareholder Fleming obviously has the final say but many of the changes it might wish to have initiated are already well under way.

The question of management succession has been sorted out. The new chairman, Mr. Cholmeley Messer, formerly managing director, took over as executive chairman from Mr David Maitland, one of the leading figures in the unit trust world over the past 20 years.

Mr Maitland, who will be 60 next year, had effectively been handing over for some months and should thus slip quietly into the background. (He becomes a non-executive director and retains his seat on various subsidiary boards and committees).

Mr John Manser (investment director) and Mr Jeremy Hebblethwaite (commercial director) jointly step into Mr Messer's old shoes as managing directors, appointments which separate clearly the jobs of investment and marketing on the one hand and finance and operations on the other. Further down the pyramid a staff review combined with natural wastage has slimmed down S and P's overweight bureaucracy.

Meanwhile, the company's investment management style has changed during the past couple of years. Until Mr Manser's arrival in the second half of 1979, S and P's funds were mostly managed by Robert Fleming employees on secondment to S and P.

Today the investment team unquestionably belongs to S and P and in place of the old committee system, Mr Manser has given individual managers much greater autonomy in the running of their funds.

This new policy would appear to be paying off, judging by some figures compiled by the magazine *Planned Savings*. Taking all its funds together and weighting each for size, Save and Prosper was the second best performer out of the 15 largest unit trust groups over the two years to July 1. This compares with 14th out of 15 on the same basis in the two years to July 1, 1979.

The responsibility for this improvement, as separate figures illustrate, lies largely with the specialist funds — some of these, like the Far Eastern Trust, have done extremely well — and in particular Investment Trust Units (ITUs), at £205m, the largest unit trust in the UK. ITUs, which was S and P's biggest winner in the 1980s but proved its Achilles heel in the 1970s, benefited from a significant rerating of the investment trust sector during 1980.

Planned Savings's separate sums, taking out specialist funds (including ITUs), show that while S and P was 15th out of 15 in the two years to July 1979, the group improved only to 10th position in the two years to July 1981.

Mr Manser's arrival has undoubtedly inspired new confidence and sales of most of the group's products have shown a healthy increase.

In the last 15 months or so the group has also sharpened its image, though there have been some eyebrows raised at the slick marketing.

Whatever the outcome of this more aggressive approach, however, Save and Prosper still has plenty to prove and its new parent will be more than just an interested bystander.

When you feel you've got to go...

WORKAHOLICS apart, many people would like to be able to choose when they retire. Not everybody wants to be told when to stop working and over the last five years there has been a growing demand for some sort of flexible retirement provision. In particular, some women who are much younger than their husbands want to retire at the same time.

Both State and company pension schemes have a fixed retirement age, 65 for men and 60 for women. In no circumstances, however, will the State scheme pay a retirement pension to someone in good health who wants to retire early.

Company schemes, in theory, are much more flexible about the timing of retirement. The scheme rules and trust deed will usually allow early retirement before the normal retirement age, subject to Inland Revenue limitations. In most cases, if men normally retire at the age of 65, the Revenue will permit a man in reasonable health to retire from the age of 50.

In practice, an employee seeking voluntary early retirement because he wants to spend more time on the golf course or paint pictures, will find two major stumbling blocks in his way.

First, although an employee can leave his employer at any

time, most schemes pay an early retirement pension only subject to the consent of either the employer or the trustee or both. So if the boss wants to keep a key employee he can strongly discourage him from retiring.

An even bigger stumbling block is the penalty paid on the amount of pension put in the scheme on early retirement.

The method of calculation of an early retirement pension is complex. The amount of deferred pension is worked out under the usual procedure for an employee leaving service before retirement. This means it is based on the number of years service and the salary at the time of leaving. (The payment of deferred pension does not start until the employee reaches normal retirement age.)

To get the pension amount payable immediately on early retirement, the deferred pension is reduced by a factor. The earlier the retirement the greater the penalty imposed.

Theoretically, the size of the factor should relate to the age of retirement, the time between early and normal retirement and the sex of the employee (women live longer than men). The scheme's consulting actuary would calculate an actuarial factor for early retirement pensions, based on current interest and mortality tables. Some schemes, however, adopt a simple factor scale,

such as 1 per cent or 1 per cent reduction for each month that retirement is advanced.

Consider the following example. A scheme provides a pension at 65 of 1/60th of final salary for each year of service. A man now aged 62, earning £15,000, wishes to retire. He joined the scheme at 25. He has therefore completed 37 years service and his deferred pension, payable from age 65, is 37/60ths of £15,000, that is, £9,250.

If a scheme uses the 1 per cent reduction, the penalty factor in this example is 36 months equal to 12 per cent, since there are 36 months to age 65. Thus the early retirement pension is 88 per cent of £9,250, that is £8,140. If the scheme uses the 1 per cent factor, the penalty is 18 per cent and the pension becomes £7,585. If strict actuarial factors were employed, a leading consulting actuary would charge 22 per cent in this case cutting the pension to £7,215.

Early retirement does not deny the employee from exercising his option to commute part of the pension for a lump sum cash sum. But the minimum amount is cut even though the employee has completed at least 20 years service. In this example the employee can commute for a cash sum of £29,812. This, of course, cuts back his pension even more.

Many employees inquiring about early retirement are appalled by the size of the penalty they have to suffer. For example, at 60, the actuarial penalty for men is 33 per cent, while on the 1 per cent per month factor it is 20 per cent. Employees forget, however, that there are two features, each reducing the amount of the pension. One is that the pension is paid for a longer period on early retirement. The other is that the fund has to forego interest over the years given up, thereby cutting back the amount accumulated to pay the pension.

Employers can improve the terms for early retirement but it will mean either increasing the amount they put into the scheme by way of annual contributions or making a lump sum payment at the time of retirement to make good the investment shortfall.

If early retirement is forced on an employee by the employer as part of a redundancy programme, employers usually suspend the normal early retirement procedures. They do not as a rule apply reduction factors in calculating the pension and often augment the pension up to the levels that would have been received for full service. The cost of the increased pension may, however, be offset against the redundancy payments.

Borrowers baffled

BRITAIN'S 5m. building society borrowers will have got the jitters this week following reports that the 13 per cent mortgage rate may shortly have to be raised.

The societies' cause for concern is the rate of index of new funds — the average last month were only £280m against £371m in June — which is not high enough to maintain mortgage lending at present levels if the demand from housebuyers persists.

Interest rates will certainly be the most important item on the agenda when the Building Societies Association (BSA) meets next month (September 11) — but bigger monthly payments for home owners are far from the inevitable outcome.

Much depends on the direction of market rates over the next couple of months and on the success of universal granny bonds, which go on sale from September 7. Higher market rates would almost certainly push up bank base rates, and further depress the amount of money flowing into the societies.

On the other side of the equation, however, there is a school of thought which believes that the record level of lending advances in July reached a new peak of £1.18bn must tail off as the squeeze on real disposable incomes tightens. With prices increasing faster than wages and little evidence that the unemployment outlook is likely to improve, some managers are puzzled by the continued strength of demand.

If this shows no sign of weakening the BSA might still decide to leave rates where they are and put up with growing mortgage queues. After all, they are extremely conscious of the way the clearing banks, which are most unlikely to raise rates, are breathing down their necks.

Building society liquid funds still average 13.5 per cent of the total and there is surely no harm in running liquidity down a little further.

Mr Richard Weir, secretary general of the association, is uncertain at this stage which way the societies will jump. "I don't think an increase in the mortgage rate is the most likely option but I would not like to put money on any of them," he says.

With BSA about to dismember, Lloyds Bank is sensibly introducing a new home loan rate which comes into effect from Monday.

Existing borrowers will be given the choice of switching to the new rate which for the moment is 14 per cent or 14.8 per cent on a true annual basis. This means that their mortgages will no longer be directly linked to base rates, which are expected to move more frequently in future. The new rate will be the same for repayment and endowment mortgages.

In addition, Lloyds has reduced its minimum loan from £10,000 to £5,000, and the scheme has been extended to cover all types of property regardless of age, including second and holiday homes. "Lloyds, which is currently as ready as available now," has lent almost £100m since it first entered the home loans market in 1979 and has committed a further £180m.

T.D.

Over the waves

A NEW FUND investing in companies whose shares are traded on the Unlisted Securities Market (USM) is about to be launched by Britannia International Investment Management.

The fund will be managed through an existing Jersey-based company whose investment policy will be changed to take account of the new aims and which already has a Stock Exchange quotation.

Approval has been granted in principle by the Jersey authorities and by the Stock Exchange for the company's change of policy.

The announcement, when it is formally made, will represent a notable "first" for Britannia, which has been quick off the mark to see the opportunities a specialist USM fund could provide.

By investing entirely in the USM, the fund will go considerably further than authorised unit trusts, which following an announcement this week are now able to put up to 25 per cent of their assets into this new market.

Authorised unit trusts are regulated by the Department of Trade through the Prevention of Fraud (Investments) Act 1958 but up to now they have not been allowed to put more than 5 per cent of their funds into unlisted securities of any kind. The creation of the USM last November — a sort of "half house" with less rigorous rules than those applying to listed companies — made this restriction look inappropriate and the Unit Trust Association has since been lobbying for full freedom to invest in the new market. Their full wish has not been granted but the DoT says that "subject to compliance with investment objectives" authorised unit trusts can now put up to 25 per cent of their assets in USM securities in addition to the existing 5 per cent concessions.

Unit trust managers say that technology, energy, special situations and other specialist funds are the most likely to take advantage, though some are cautious at current levels. The USM has about 35 stocks including many small oil exploration and computer companies.

Britannia's new fund will be based on a 25 per cent restriction.

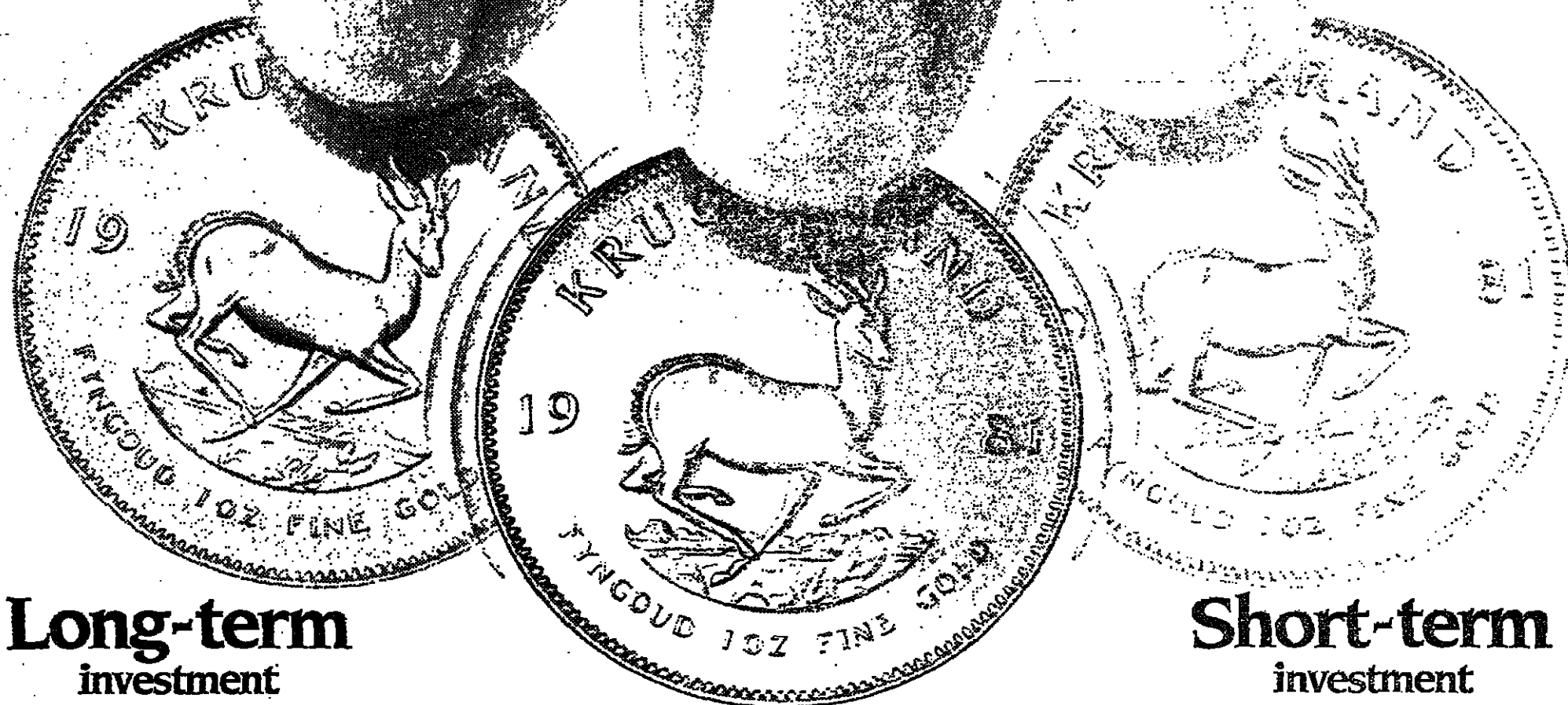
Two points about its forthcoming launch should be made. First, it will highlight once again (from a different perspective) the inadequacies of the PFIA Act, which is currently being reviewed by the DoT in the wake of successive investment management scandals.

The Act effectively prohibits the marketing of offshore funds and yet with a quote Britannia will be able to advertise the new company almost as freely as an authorised unit trust. Britannia is a perfectly reputable group with its fair share of winners, so in itself there is nothing wrong with that. It seems strange, though — and will doubtless be confusing for investors — that the law should force managers to take such a circuitous route.

The other point is the increasing importance to management companies these days of being first off the ground with a new idea. Henderson's Technology Fund, for example, which now totals more than £20m, clearly benefited from being launched before its rivals and though Henderson will claim to have devised the idea before anyone else there are others who feel the success of a new idea can rest too firmly in the hands of the DoT. The department is responsible for individually vetting trust deeds and this can be a time-consuming process for managers waiting to sell new units.

T.D.

Invest in gold and you can always alter the terms.



Long-term investment

Any investment has an element of risk. That is why brokers recommend you keep a balanced portfolio. For example, you may well aim for a long-term, low-risk investment. But you should counterbalance this with something that's short-term and therefore probably high-risk. What makes gold such a good proposition is that it's neither one nor the other. It's both.

Gold for long-term gain

In the long-term gold has always offered security. Look at the last ten years quoted in our table and you'll notice the average trend is in your favour. Moreover, this upward trend has so far lasted thousands of years. History has repeatedly shown that in times of economic uncertainty, people turn to gold because it provides ideal security against any downward turn in your stocks and shares. This is why gold is such a telling addition to any investment portfolio.

Gold for short-term gain

In recent times the price of gold has been volatile in the short-term. This is a factor you can use to your advantage. Look at the table and you'll see the highest, lowest, and average prices of gold between 1970 and 1980. Notice that the peaks are high, the troughs are low. So much so, that there were times when you could have made considerable gains within a year.

Krugerrands — gold for the private investor

Krugerrands are bullion coins which contain exactly one troy ounce of fine gold. You can also purchase smaller coins containing exactly 1/2 oz, 1/4 oz or 1/10 oz of fine gold. So far more than 30 million

	LONDON GOLD PRICES				Inflation Index	FT 30-share Index
	Highest	Lowest	Average	Average Index		
1970	16.40	14.48	15.01	100	100	361.0
1971	18.16	15.59	16.67	111	109	386.2
1972	28.58	17.12	23.39	156	117	503.8
1973	49.32	27.16	39.58	264	128	435.6
1974	84.19	49.60	67.83	452	148	251.2
1975	79.13	62.52	72.34	482	184	311.0
1976	84.55	58.41	69.34	462	215	368.0
1977	92.37	75.13	84.56	563	248	452.3
1978	116.78	86.60	100.65	670	269	479.4
1979	235.19	108.62	143.54	956	306	475.5
1980	371.06	215.38	265.74	1,757	361	464.5

Source: Reuters Monitor & Co. Limited, Financial Times

have been sold throughout the world. This makes them the most internationally accepted way for privately holding gold.

Buying and selling Krugerrands

You can buy Krugerrands through an estimated 11,000 and sell through an estimated 8,000 outlets in the U.K. Because they are legal tender in South Africa, they carry no VAT. (Whereas all other forms of bullion do.) They do not have to be assayed. You can buy them through most banks, stockbrokers and bullion coin dealers. Similarly, they are easily sold through the same outlets. And there need not be any complicated paperwork.

The value of Krugerrands is directly linked to the price of gold — around 3% above the gold price on the 1oz coin. When buying or selling, there is normally an additional handling commission of between 1% and 3% — depending on the quantity of 1oz coins bought or sold. Once bought the value of your investment is easily monitored. You simply look up the gold price in a newspaper. You'll see it quoted per troy ounce, which is exactly the weight contained in one Krugerrand.

Short-term investment

What to do now.

Ring Teledata 01-200 0200 for the names and dealing procedures of your nearest Krugerrand distributors.

Teledata can also tell you the current gold price and approximate retail prices of all four sizes of Krugerrands updated during the day.

In addition, the International Gold Corporation have prepared a 64-page publication entitled *The Krugerrand Directory 1981* which contains information on gold and the Krugerrand as well as details of the official procedures of over 6,500 Krugerrand distributors in the United Kingdom. To order your free copy, fill in the coupon below:

To The Krugerrand Directory 1981, PO Box 42P, London W1A 4ZP. I am very interested in buying Krugerrands. Please send me a free copy of the 64 page publication *The Krugerrand Directory 1981*.

Name

Address

Postcode

THE KRUGERRAND
The Ultimate Asset.

LEISURE

On four wheels and a prayer

TRAVEL

IAN DAVIDSON

THE FIRST rule about bicycling in Normandy is this: do it before the *Quatorze Juillet*. Before this magical date, hotel-keepers are obliging and polite; after it, the innocent inquiry "est-ce que vous avez une chambre pour la nuit?" encounters only one of two responses: either the contemptuous "ah, vous savez, m'sieur, c'est les vacances" or, if by chance they do still have a room free, the menacing counter-question "comment vous prenez le repas ce soir?"

The second rule requires more self-control: do not give in to the temptation to have lovely sit-down lunches in restaurants. England is better adapted for cycling holidays, because a cheese-and-pickles sandwich and a pint (or even two pints) is often the best lunch you can find in the sticks. But two courses with a bottle of cider entirely destroys the legs. A picnic with a bottle of Evian is the road to salvation.

The third rule is easy: take it easy and stay away from all large towns. There is absolutely nothing wrong with doing only 30 or even 20 miles in a day. Have no shame about walking up all hills. Aim to roll up to your chosen hotel by six, to give your legs a chance of working. But however easy you take it, you will still find that after a week or ten days of ever-so-lazy pedalling, your legs will be noticeably more muscular and however grey the skies, you will come home with a tan to amaze your friends.

Before the commercial, however, a word of warning. The human frame was never designed to sit on one of those thin bicycle saddles, and the initial experience can be exquisitely painful; not for the reason my wife imagines, but because the whole weight of the trunk seems to be supported by the point of the coccyx or, whatever that little bone is called. It wasn't until this year, our third such expedition, that morning departures ceased to provoke low moans of pain. I suppose by now the coccyx has been worn down. The solution for first-timers may be to get a saddle with lots of springs and padding, as well as sit-up-and-beg handlebars.



Pruning raspberries and other canes

GARDENING

ARTHUR HELLER

WOODY and herbaceous are relative terms and it is not always possible to draw the neat and positive line between them that one would wish. Woody plants should have hard and permanent branches whereas herbaceous plants should be soft-stemmed, many kinds actually dying down to ground level every winter. But what of those plants which only become fully woody right at the base or make stems that are firm and yet only short-lived like so many of the bumblebee tribe? All have to be accommodated in gardens and provision made for their individual methods of behaviour.

At the moment it is the cane fruits, and in particular the summer-fruited raspberries, that require attention for they have now borne their crop for this year and are in process of losing all their canes that have so recently been bearing it. If left entirely to their own devices the leaves on these old canes will turn yellow and wither away and the bark of the canes themselves will rapidly change from light brown to ashen grey. By then they are dead, saprophytic fungi and other organisms of decay will invade them and in a few months they will rot away.

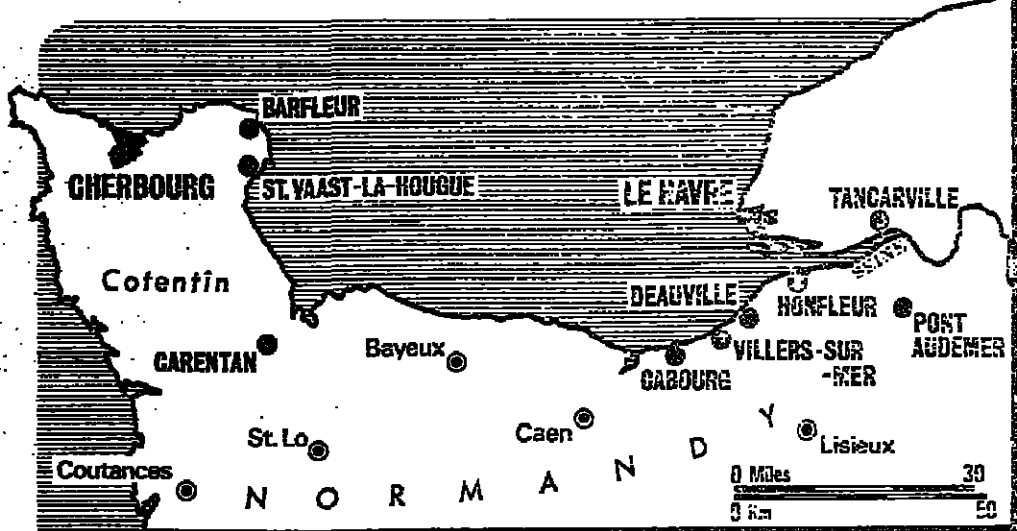
Not only is this, highly un-

sightly but it is also positively harmful since the dying canes deprive the young ones of light and may pass on to them pests and diseases which they have acquired. The sooner they can be removed and the more completely this can be done the better, and the place for the pruning is the bonfire not the compost heap.

Physically it is not the easiest of pruning to do since one must grub about at ground level, cutting out the old canes as low down as possible. First all the ties with which the fruiting canes were attached to the wires or other supports provided for them must be cut and, if the canes have branched a lot, they will need to be carefully disentangled from the young canes which are still soft and easily damaged. However, there is compensation in the ease with which what needs to be removed can be distinguished from what should be retained. The old canes already bear the unmistakable signs of death whereas the young canes are full of exuberant life and even a beginner can scarcely go wrong.

When all the old canes have been removed one must decide whether there are sufficient new canes to carry next year's crop. If not it is possible that a little feeding with manure or compost plus a sprinkling of compound fertiliser, followed by a thorough soaking of water may produce some further growth which, though belated, may still be profitable next year.

If there is too much growth to be tied in conveniently some



Vaast-la-Hougue, a larger and more plebeian port which was infested with earth-moving equipment. The Hotel de France at Fuchias really was covered with fuchsias, and remarkably cheap—£225 for dinner, room and breakfast for two. By and large prices seemed to go up the closer we got to Paris.

It was a long haul down the D14 through a succession of farm hamlets, many with handsome stone farmhouses visible through stone entrance arches, to the market town of Carentan where the first glimpse of sun prompted a café stop for citron pressé and postcard-writing on the pavement. By this time it was already becoming clear that Rule 3 (taking it easy) would compel us to take a fairly direct route towards our homeward ferry from Le Havre, and would rule out a visit to the cathedral at Coutances. Le Havre is an awful warning of what happens when town planners are given free rein with reinforced concrete. The Caen stone architecture of Haute-Normandie gives way to much less attractive half-timbering in Basse-Normandie as you go east, the farms are much more ramshackle and, as I said, the prices are higher.

But if we had returned via Cherbourg we should have missed some delightful experiences. Bayeux on a hot but cloudy Sunday is as dead as a doornail, but the cathedral is splendid and the tapestries—a propaganda strip cartoon in over 50 scenes showing why William was quite within his rights to take England away from Harold—are worth a guinea a minute. The Hotel du Centre at Neauville, south of Bayeux, is a lovely country hotel with excellent food. When you ride into the gravelled courtyard, you're not absolutely sure it is an hotel at all, it looks just like a large, comfortable country house. Ideal for a honeymoon with someone you've known all your life.

Consequently, we had an agreeable, no-nonsense popular resort, and the Hotel de Paris an agreeable no-nonsense hotel (£304 for dinner, bed and breakfast), with one solitary, perspiring young waiter waiting on 20 hungry families. It also exhibited that other disease which grips France: telecommunications. The hotel switchboard was apparently new and had hundreds of buttons—but there was only one outside line. Baffling. As with plumbing, the disease is still only partly under control. The local exchange told us a reversed-charge call to London would take 45 minutes, just as in the good old days; but the hotel called the number directly in a trice, and only charged £15.

But the whole object of the expedition was Cabourg, the real-life model of Proust's Balbec, where he spent summer holidays with his grandmother at the Grand Hotel and the one *jeunes filles en fleur* of his biography. Though the town was an instant creation of the Second Empire, with a perfect

semi-circular street plan, whose far side faces onto the sea front, the Grand Hotel standing massively at its centre, it remains a standing reproach to the town planning horrors of Le Havre. The buildings, and as a result the people who inhabit them, contribute to exude everything that is blue-ere in the old French middle classes, including the bridge game in the foyer of the Grand Hotel and the prices of aperitifs in the sea front bar (£25). Apparently the only innovation in a hundred years are the fashions for knee-length shorts, and the change of name to *tempora, mures* of the sea-front (mercifully car-less) from the *Promenade des Anglais* to the *Boulevard Marcel Proust*. We could not afford to stay in the Grand but the sunset was appropriately unforgettable.

Along the coast, Villers-sur-Mer boasts a succession of sea-front villas which attest as much to the wealth of their perpetrators as to their vulgarity: the kind of thing which no doubt lower-middle-class readers of *Aldrich* touring guides are expected to slaver after. Quite unexpectedly the Mont Canisy behind Deauville reveals that today's ultra-rich are putting their money into much more tasteful if equally stately residences *secondaires*—most strikingly, an apartment estate called *Les Manoirs du Golf* where half-timbered blocks alternate with blocks in honey stone, all making superhuman efforts to look as if they had been carefully preserved for at least 300 years. Most peculiar, but actually not unattractive, is the kind of mirror-image of the make-believe of Cabourg/Balbec.

Rule 4 is: take a tyre-mending kit and know how to use it. I got a flat after toiling up the Bonneville hill, and after much cursing, I thought I'd solved the problem. (In these circumstances a wife is very helpful for maintaining a minimum level of cheerfulness.) But as we rode into Honfleur, I began to worry that the tyre seemed to have developed a hernia, bulging ominously.

Naturally the woman at the bike-shop instantly prescribed a new inner tube, together with other ingenious devices. But I soon discovered (after I had left the shop with my purchases) that she knew as little about tyres as me. The vital thing with inner tube repairs is to make sure it isn't pinched by the outer, and that means a couple of minutes jiggling and massaging. I now have an entirely superfluous inner tube with (of course) a valve which doesn't fit my pump. Any offers?

Honfleur is deservedly famous as an old, unspoiled fishing port, long the haunt of artists. Although the Hotel du Cheval Blanc was our most expensive (FFr 370), it was initially worth it, with a bedroom overlooking the harbour, the fishing boats coming and going, the tide rising and falling, the shipyards in the distance, and the yachts queuing to pass under the hinged bridge to

enter the port de plaisance. St Catherine's church is one of the most pretty I have ever been in, perhaps because it is built entirely of wood, a vast double nave whose slender pillars create a sense of community and warmth.

When we visited it, the organ was practising its length, perhaps the French are a musical nation after all. Neither of us wanted to leave. We lingered, staring blank-eyed at the plaques of gratitude to the Virgin. The church was built by the shipwrights of Honfleur after the Hundred Years' War, in thanks for the election of the English: a beautiful place for prayer, contemplation, or just listening, a place which breathes the sense of community. Very different from St Paul's in July, with its tourist buses.

With a little time in hand, we made a side trip to Pont-Audemer, inland. This proved to be a mistake, because the countryside is rather dreary. Put the Hotel de la Risle at Pont-Audemer fully lived up to the Michelin's description: *troupeau de vaches en prairie*, the total bill for the night was FFr 215.50, and the showers were the most sophisticated and efficient I have ever enjoyed.

You can't always trust last year's Michelin, however. For our final meal in France we sought out *La Petite Auberge* in Le Havre, described as offering r.s.a.p.m. but while the r. was certainly s., the p. was not m.—FFr 245 for two. But in a concrete desert like Le Havre, it was an oasis of civilisation.

One final word of warning. The direct route from Pont-Audemer to Honfleur to Le Havre takes you across the Seine via the *Fous de Tancarville*. It is a magnificent structure, but rather frightening. You can't cycle across, for fear of being mangled by the soaring arches, so you push your bike along the sidewalk

Two turbos with a difference

MOTORING

STUART MARSHALL

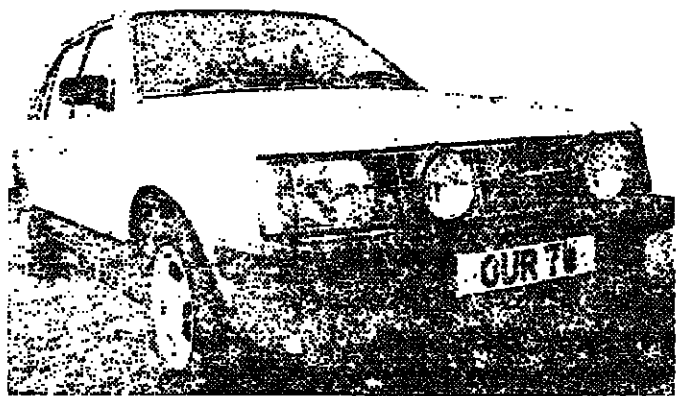
ALMOST any kind of motor vehicle, from a small saloon to a juggernaut lorry, a Land-Rover to a farm tractor, can be turbocharged. The question one really has to ask is: is it going to be worth the extra money?

Two turbos that recently caught my eye were at opposite ends of the spectrum. One was a Vauxhall Astra 1.3, which had nothing but a discreet badge on the tailgate to let other road users know it had an out-of-the-ordinary performance. And the other, a Colt Lancer 2000 Turbo, had all the visual aggressiveness the Vauxhall lacked. Even the "2000 Turbo" logo appeared in reverse on the deep front air dam, presumably to encourage dawdlers who saw it the right way round in their mirrors to move over and let the speeding Colt through.

The Vauxhall had been prepared by Bill Blydenstein, whose tuning achievements are legendary but who usually resorts to boost performance and economy by increasing the cylinder capacity of a standard engine which is then meticulously reassembled. I wrote about his rapid 2.4 litre Carlton estate which gave 24.3 mpg, driven hard, in this column on April 25.

Mr Blydenstein—I know nothing about turbocharging as such but I do know a little about engines—co-operated with Frank Swanson, of a London firm called Turbo-Tek, in evolving a conversion for the Astra. "Between us, we consider we arrived at a very acceptable compromise on this little 1300 turbocharged engine," he told me. They did.

I found that the Astra 1300 went almost indecently quickly for a small family car, with the smoothness and refinement one has come to expect from turbocharging. The extra urge did not come in suddenly. There was a gently progressive feeding in of power that let the Astra rush past slower traffic and accelerate up long inclines



The Astra 1.3 litre Turbo. It looks like any other small, front-drive Vauxhall but performance is transformed

as though they weren't there. Gently driven—and, let us face it, people don't buy turbo cars to pussyfoot around in—I obtained a surprising 35 mpg, but my overall consumption was 27.7 mpg. Top speed is claimed as a little over 100 mph. Power output is up from the standard engine's 75 bhp to 90 bhp and the rev limiter is set to cut the ignition at 5,500 rpm. What impressed me most was the silkiness and relative silence of the engine at the sort of cruising speed one might maintain on the *autoroute* or *autobahn* if fuel economy was not a prime consideration.

Cold starting was instant, though the engine sometimes took a few seconds to restart when hot.

In town, it was no different from a standard Astra 1.3. The clutch had an unnecessarily long throw and the throttle control on my hard used test car was so jerky that smooth traffic driving required concentration. Harder dampers and fatter tyres made the ride firmer than normal but handling and roadholding were well up to the extra performance.

Undoubtedly, turbocharging puts the Astra a couple of rungs up the performance ladder, though it increases the on-the-road price from £5,170 to about £6,400. That is less than Renault 18 Turbo (£6,883, delivered and taxed) but it has power steering and is a larger car. It is also worth bearing in mind that a BMW 316 with 1.8 litre engine is now only £5,632 on the road. While it is not exactly comparable with the Astra Turbo, it is a compact car of quality and would make a most agreeable alternative.

Turbo performance notwithstanding, the Astra remains what it is—a small, mass-market car, badged Opel or Vauxhall to choice.

Colt say their Lancer 2000 Turbo, which is a production model, not a conversion, has a top speed of 123 mph. With 168 bhp from its fuel injected engine, which has twin balance shafts and feels vibrationless at

6,000 rpm, the claim seems reasonable, even modest. Standing start acceleration from 0-60 mph takes about nine seconds. Once the turbocharger begins forcing more fuel-air mixture into the cylinders at 2,000 rpm and over, pick-up is neck-jerking. On a wet road, there is enough power to spin the rear wheels even in fourth gear at 65-70 mph.

Like all cars with so high a power-to-weight ratio, the Colt needs careful treatment, though it handles with a firm muscularity and would only allow a heavy footed, insensitive driver to get into trouble. In last week's deluge, I loved it enormously. It even took to more than a foot of floodwater without missing a beat.

Less pleasing was the heavy exhaust boom when accelerating hard from low speeds and a tendency to wander at higher speeds on rain-drenched motorways. This may have had something to do with the odd tyres; there were Pirelli P6s on the front wheels, Yokohamas of similar 65 series cross-section on the rears.

But the overall impression was of a strong, conventionally engineered car, a vivid performer when required but gently guided when used as a family saloon. My wife, who is not over-impressed by enthusiastic talk of rally breeding, reckoned it was one of the nicest and most responsive cars she had driven for a long time. The ride is firm, though not harsh; the steering is quick and positive and the gearshift admirable.

At £5,569, ready to drive away, the Colt comes somewhere in between Renault 18 and Saab 900 Turbos in price, though in character it is unlike either. I would judge it to have greater appeal for the sporting owner than for the business or family motorist seeking a two-litre car with three-litre performance on demand. Even so, it is a proper four-five-seater, attractively trimmed, fully equipped and with a reasonable boot. Fuel consumption, sensibly used, is around 28 mpg.

HOTELS

First Class

Charming and comfortable rooms, excellent food and service. Ideal for business or leisure.

Chateau de la Roche
1500 m altitude
Tel: 04 41 11 11 11
Fax: 04 41 11 11 11

TRAVEL

Remember Paris

—Helen Richmond

For a free copy of this charming and informative brochure, please send your name and address to: Helen Richmond, 15, rue de la Harpe, 75004 Paris, France.

TIME OFF 24 hours
London: SW1X 7BL, 01-235 8070

OPEN ROAD MOTORING HOLIDAYS in your own car to Paris, Amsterdam, Rome, Athens, Geneva, and Dublin. Book now! Tel: 01-235 8070.

MOTOR CARS

HOWES MOTORS

Jeep

Jeep is the most reliable and versatile of all motor cars. It is the only motor car that can take you anywhere. Book now! Tel: 01-235 8070.

PORESCA—Official Sales Centre for the Volvo 740 GLE and Volvo 760 GLE. Tel: 01-235 8070.

CLUBS

EVE has outlived the others because of a policy of fair play and value for money. Super from 10.30 am. Book now! Tel: 01-235 8070.

EDUCATIONAL

CAMBRIDGE CENTRE FOR SIXTH-FORM STUDIES

Mount Pleasant, Cambridge.

Administrative Offices: 59 Lensfield Road, Cambridge CB2 1EN. Tel: (0223) 316880.

CSCS offers full-time, part-time and holiday courses in GCSE and A-level subjects. The Centre provides both individual tuition and courses based upon a combination of small group and individual teaching. Emphasis is placed upon high academic standards, the provision of detailed careers guidance, and the encouragement of extra-curricular interests. Residential accommodation is available.

For further information please contact the Secretary.

CONTRACTS AND TENDERS

REPUBLIC OF ARGENTINA
HIDRONOR

HIDROELECTRICA NORPATAGONICA SOCIEDAD ANONIMA

PREQUALIFICATION FOR CONTRACTS

Nos. 591, 592, 593, 594

Supply of Suspension Insulators, (ACSR) Conductors, Lattice Galvanized Steel Structures and Construction Works with partial Supply of Materials

HIDRONOR SOCIEDAD ANONIMA requests local and/or foreign construction or material manufacturing companies or consortia to submit technical and financial background information for prequalification to bid on construction works and supply of materials for a 1,650 km long, 500 kv transmission system, to be built from Ahueira to Abasco, Republic of Argentina. Prequalifications for the following contracts and subcontracts:

- A) Contract 591—Supply of toughened glass or porcelain suspension insulators.
- B) Contract 592—Supply of (ACSR) conductors.
- C) Contract 593—Design, manufacture, testing and delivery of lattice galvanized steel structures. Item 1—For transmission lines. Item 2—For substations.
- D) Contract 594—Transmission line construction, includes partial supply of materials and commissioning of the line.
- D1) Subcontract 594.1—Manufacture and testing of hardware for guys for lattice metal transmission line structures.
- D2) Subcontract 594.2—Manufacture and testing of accessories for (ACSR) conductor and galvanized steel or aluminum shield wires.
- D3) Subcontract 594.3—Manufacture and testing of hardware for suspension and dead end insulator assemblies for conductors and shield wires.

Supplies stated in D1, D2 and D3 above are component materials for contract 594, but prequalification of each one of the manufacturers concerned will be performed by HIDRONOR SOCIEDAD ANONIMA. Documents are to be obtained at HIDRONOR SOCIEDAD ANONIMA's office at:

HIDRONOR S.A.

HIDROELECTRICA NORPATAGONICA

PTE. YRIGOVEN 378-8TH FLOOR

8334-CIPOLLETTI, RIO NEGRO, ARGENTINA

TELEX NO. 84116 HINOR AR

or at:

HIDRONOR S.A.

HIDROELECTRICA NORPATAGONICA

AVDA. LEANDRO N. AELM 1074

1001-BUENOS AIRES, ARGENTINA

TELEX NO. 22340 HINOR AR

Requested information will be received only at first above address, up to the following times:

- Contract 591—4 p.m., October 15, 1981
- Contract 592—4 p.m., October 15, 1981
- Contract 593—4 p.m., September 10, 1981
- Contract 594—4 p.m., October 11, 1981
- Subcontracts 594.1/2/3—4 p.m., October 1, 1981

HIDRONOR has made application to Inter-American Development Bank for financing.

The most renowned school for French

THE INSTITUT DE FRANCAIS

Overlooking the Riviera's most beautiful bay

MAKES LEARNING FRENCH

A WONDERFUL AND UNIQUE EXPERIENCE

Next 3-week all-day immersion programme starts Aug. 21, Sep. 28 and Oct. 5. LODGING IN PRIVATE APTS. AND 2 MEALS INCLUDED

For adults, 6 levels, from beginner to advanced. 11 Years of research & experience in the effective teaching of French to adults.

INSTITUT DE FRANCAIS—FTH15

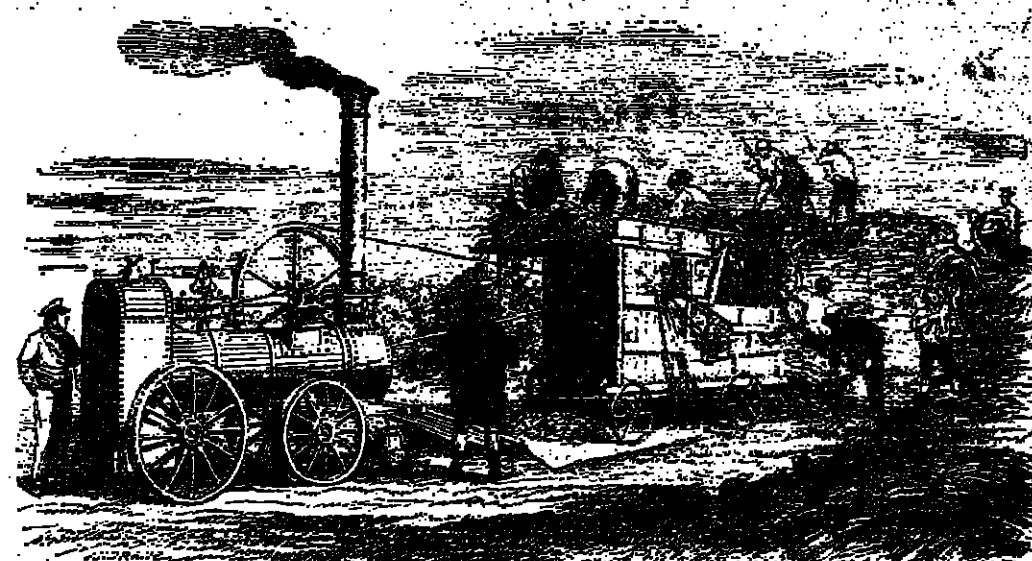
23 Av. Général-Leclerc, 06230 VILLEFRANCHE-S/MER - Tel: (03) 80.95.67

Hodge and his master

personal fondness to tell us why so many different patrons would risk so much in their enjoyment.

As a framework, however, these books are at their best. Here, I find them intriguing. They keep a sharp eye on local variations, bothersome clay against "high farming" loam, Norfolk arable and Dorset pastoral, Welsh non-conformists and Anglican yeomen. With their help, the contemporary sketches come to life. Even Trollope's speculators in that awful guano gain a topical point from the patterns of contemporary trade and manuring. Generalisations are still in the future, but in many areas, the depressions of the 1870's and 1880's still look like a fact, not a scattered impression. After 20 years of lucky boom, foreign trade allowed cheap foreign imports. Arable farming was plunging in to the original areas. Exactly a century ago, five terrible summers washed out the crops and their harvest.

F. M. L. Thompson warns against too bleak a picture, but rural emigration still ran high and contemporaries voiced serious distress. Science, generally, left little mark on output.



Hornsby's portable steam engine and threshing machine in 1851

plenty. By the 1830's the North Western railway " offered a free rail pass for 11 years to anyone taking a house in Harrow at a rental of £50 a year." Few, remarks G. E. Mingay, " were tempted by the offer. Forty years later, the story was different. These admirable studies remind us how the histories of town and countryside move best when joined together.

Dicky's granny

thought the Archbishop should have resigned instead of Edward VIII and that death for your country is the most satisfying fate any Englishman can hope for.

In fact it is in the area of war, of heroics and absurdities that Dicky took the most successful. It is also the area of exception, where Lilly and Dicky joined in inner conviction. Not that Dicky would have chosen to die as his father did in a typically World War I attack to certain death. But he did enlist in the army, and he was in France conducting all his theories of pacifism and the importance of art, and fought bravely until the war ended.

From 1939 onwards the narrative spins along, alive with descriptions of wartime exploits both at home and abroad. From the assault of Monte Cassino to the first view of the Siegfried Line, from burying horribly mutilated friends to learning the parts of the body "from 'Gennaro or Salvatore,'" this is an original unsentimental and often very funny picture. Dicky



Lily Turner reading a love letter from Chris Buckle—spring 1886

ruption. There is also a slightly frustrating feeling that grandson Dicky is tailoring his personal narration to suit his grandmother's tastes. Not that this can be altogether true. One long paragraph, for example, describes a war-time interlude when he met, near Siena, an Italian boy partisan called Franco who "proved skilled" at arranging greenery for a concert party. Quoting from his diary (of which I could have done with more) he writes: "When Franco sits in the middle of the shaft of falling water it parts and spreads all round behind him, like the wings of a huge butterfly perched in glass." This "exotic creature" then "turned into Franco Zeffirelli."

It is brilliant word pictures like this which make one realise the even greater pleasures ahead of us with the other surely more relaxed, less Victorian volumes to come.

Fiction

Beloved country

Trade with Korea

The Korean Government's decision to diversify and increase its sources of imports from Europe will be one of the principal subjects of a major Euro-Korean Symposium in Brussels on 16 and 17 September, 1981. The annual volume of trade in Korean markets is expected to reach 120 billion US dollars by 1986 and within this period exports from Europe are expected to increase dramatically.

The opening speaker from Korea will be Mr. Suk-Joon Suh, Minister of Commerce and Industry, and from the Commission of the European Communities, who are supporting the conference, Mr. Wilhelm Haferkamp.

Other distinguished speakers will include

Mr. Kyong-Shik Kang
Assistant Minister for Planning, Economic Planning Board

Mr. Mahn-Je Kim
President, Korea Development Institute

M. Albert Coppé
Chairman, Société Générale de Banque SA

Mr. George H. Turnbull
Vice President, Managing Director, Talbot Motor Company Limited,
Former Vice President, Hyundai Motor Company

Dr. Reinhold Braun
Vice President, Siemens AG International Operations

In addition, more than 50 leading Korean industrialists will be participating to meet potential European partners to discuss opportunities for business development. A top level international attendance is expected and early registration is recommended. Fee £100 including all refreshments, lunches and conference documentation.

Euro-Korean Symposium

To: Financial Times Limited,
Conference Organisation
Minster House, Arthur Street
London EC4R 9AX
Tel: 01-621 1355
Telex: 27347 FTCONF G
Cable: FINCONF LONDON

ORGANISED BY THE FINANCIAL TIMES
CONFERENCE ORGANISATION

* Please register the following and invoice for delegates @ £100 each
* Please send further details of the Euro-Korean Symposium
* Delete as necessary

Name _____

Company _____

Address _____

Tel _____

Revolutionary Empire: The Rise of the English-speaking Empires from the Fifteenth Century to the 1780s
by Angus Calder. Cape, £16.50.
916 pages

A book that weighs nearly two pounds ought to have such a long title. I congratulate Dr Calder for including the name of that distinguished Kenyan novelist, Ngugi Wa Thiong'o in his joint dedication. Ngugi's novels, *Weep Not, Child* and *Petals of Blood* put him among the front rank of African writers.

To Dr Angus Calder's monumental book, it is a tour de force, a tremendous feat of historical research, a remarkable example of high professional skill but above all it combines readability with (on the whole) sound judgment. Open the book where you will and you will learn something new. Something exciting, something that will attract your attention and grip your mind. It has flaws; it is prolix, the trivia could have been jettisoned but in the final analysis it is a serious work and not a stereotype book.

The rise of the first English Speaking Empires was based on the ruthless and savage demand for raw materials, land, and labour, and the resulting devilry, deceit, intrigue. Also of adventure, ambition, the good fortune of some and the ill-fortune of the many—especially the American Indians who were mercilessly disposed of, and the black Africans who were sold and kept as slaves. Dr Calder is not sentimental about either (he abhors both the senseless scalp hunting of American Indians and the slave traders) but makes it quite clear that Red Indian heads and black hands were needed to establish these Empires and slave trade was an essential part of the British head start in revolutionising industry—No slavery, no Industrial Revolution, no headhunting, no 13 colonies.

TREASURY RULES

RECURRENT THEMES IN BRITISH ECONOMIC POLICY
ADRIAN HAN

This book examines the amazing continuity of argument, social outlook and attitude of Britain's most powerful economic institution, the Treasury, and the blinkered elite which runs it. It pinpoints, through the examination of revealing Cabinet minutes, the Treasury's culpability in the fashioning of two pre-Second World War policy disasters: it looks at the conventional role of the Civil Service machine operating in the development of economic policy. And it finds parallels in the sad degeneration of the 1973-79 Labour Government's economic policies, leading to the eventual return under the present Conservative Government of the narrow, short-sighted and destructive policies that failed in the 1920's.

Price £7.95 hardback

HOW TO SPEND IT

by Lucia van der Post

Sun shades

ONCE upon a time sunglasses were the sort of flashy accessory that went with underworld crime, Hollywood and co-responsible shoes. No gentleman would ever have been seen sporting a pair. But times have moved on and nowadays almost everybody — including Prince Charles and the Duke of Edinburgh — seems to find them essential personal props.

Which to choose though — there's the rub. In the bad old days you either went to an optician (if you needed prescription sunglasses made up) or else you went to the fashion counters and settled for the frame you liked best. Today, it's a different matter. The counters are groaning with the output of our technological age — from CR39 lenses to photochromic ones, from polarised lenses to gradients. You can buy sunglasses at prices ranging from about £5 for a pair with lightweight plastic lenses to £117 for a diamond-studded Nina Ricci number. (When, of course, the glasses are required to do rather more for their owner's status than just protect the eyes — here we are into that not-so-subtle game of label snobbery.)

Most of the optical experts are agreed that in England most people don't really need sunglasses — the level of light and glare is not high enough normally to cause irritation, headaches or sore eyes. Lots of people, though, like to wear them partly for cosmetic reasons and partly to protect eyes from wind and dust. And certainly when we go abroad — whether for sun and sea or more particularly for snow — protection for the eyes is essential.

The Optical Information Council warns that very cheap lenses do tend to be flawed and can distort vision but there is a fairly simple test that the would-be shopper can try. Hold the pair of glasses at arm's length and look through each lens individually, focus on an upright object like a window frame or a door and gently rotate the lens. If the lens is flawed there will be distortion as you rotate it; if the quality is good the vertical object will not alter shape.



From the fashion point of view sunglasses don't change a great deal. This year has seen a slight change of emphasis to roundish, slightly smaller frames, away from the very large and dramatic frames of a year or two ago.

Although plenty of the frames come in the solid primary colours that we've now got used to, there are also more of the subtle, slightly pearlised frames in neutral colours like grey, beige, and brown.

When it comes to the lenses it is worth knowing what the different varieties offer. The CR39 lens, for instance, is a lightweight plastic resin which is almost unbreakable and has a high degree of scratch resistance so it is usually recommended for use when driving.

Polarised lenses quite simply are lenses made with a thin film of polarised material laminated between layers and the chief advantage is that they cut reflected glare.

Many people like gradient lenses because they don't completely hide the eyes (and, after all, as they are many people's best feature, this can be quite an important point) but also because, when driving, they offer the combination of counteracting the sky-glare while allowing a clear view of anything in the car itself.

All the rage at the moment, of course, are the photochromic lenses. These are simply lenses containing light sensitive cry-



Goggles' latest shape sports the CR39 lens, ideal for drivers. The frame is blue or red, the lens gradient or smoke. £13.



From Foster Grant comes this ivory frame with the upswept shape. Gradient brown lenses, £11.99.

stals which react according to the level of light. This means that, indoors, the lens is light and it darkens as soon as you go out into the sunlight. The early models didn't change quite rapidly enough for some people's taste. Chance-Pilkington's Reactolite Rapide, which many manufacturers are now using, is the fastest reacting lens so far available.

Chance-Pilkington tells me that Reactolite Rapide lenses have the widest transmission range of any photochromic lens in the world, starting off clear at 90 per cent transmission and

darkening to 16 per cent. If the lens is taken from a darkened room to bright sunlight, the lens is almost fully dark within 30 seconds and it takes two minutes to clear back half way (other lenses take about 12 minutes to do the same thing).

One interesting sideline on photochromic lenses is that the higher the temperature, the less likely they are to darken — so if you're heading for the Sahara, you might be better advised to make do with polarised lenses.

Trying to establish the general fashion trend isn't easy this year — the last two unsummers — but they have meant that the world of sun-

glasses hasn't blossomed as manufacturers would have liked but there is a consensus that public taste seems to be moving away from polarised lenses to either gradient or photochromic ones.

Certainly anybody going in search of sunglasses will find them in almost every shade, shape and material — illustrated here are just some of this season's crop.

Drivers need to take special care over which sort of sunglasses to wear. I've already mentioned the CR39 lens as being particularly suitable for wearing when driving but probably the most important point to note is that photochromic lenses can be dangerous — they don't react quickly enough to give you sufficient vision if you suddenly go into a dark tunnel or, at night, if you meet oncoming headlights.

Oliver Goldsmith, who not only designs his own range but is an acknowledged expert on the whole business, offers some advice on looking after your sunglasses. Most of it is of a fairly obvious nature — always keep them in their case when not being worn, keep them clean and if they become greasy wash them carefully with warm, soapy water and dry well.

Less obvious is his advice always to remove them with both hands — one-hand-glasses-removers upset the alignment of the frame. And finally, don't leave them in the sun or direct heat.

Above left is the latest design from Correna. The slightly square frame is crystal clear with an inlay in red, grey or brown. The lenses are fast photochromic. The price is £12.50 and the full Correna range is available from most sunglass departments.

Above right, is a frame designed by Emanuel (of The Dress fame). They designed the frame to be of optical quality so that those who liked it could use it to have their own prescription lenses fitted. (Though those who want to do this should be warned that sunglass frames are much larger than ordinary ones, so prescription lenses of that size might well cost a bit more, than they expect.) The frame itself is made from translucent pink and turquoise and the gradient lenses are brown at the top changing to blue at the bottom. For further details contact the Optical Information Council (01-536 2323).

Growing panes

IF YOU don't own a greenhouse and have been dithering about whether or not to buy one, dither no longer. There'll never be a better time. Out in the greenhouse marketplace a tough and brutal war is waging. Too many manufacturers are chasing too few buyers and prices have never been better — if you're a buyer, that is.

If you're a manufacturer it's all bad news. As one of the biggest of them all put it to me this week, "Anybody who buys a greenhouse now is getting one at knockdown prices. In many cases retail prices have either not changed since 1977 or else are even less than they were then. I hope desperately prices will never be as low as this again."

Times have changed since the glorious days of the energy crisis back in 1973 and the heyday of the great Grow Your Own movement when greenhouses were selling like ice-creams on a midsummer day. Now the would-be greenhouse owner is being wooed by too many suppliers, all of whom are having to strip their prices to the bone.

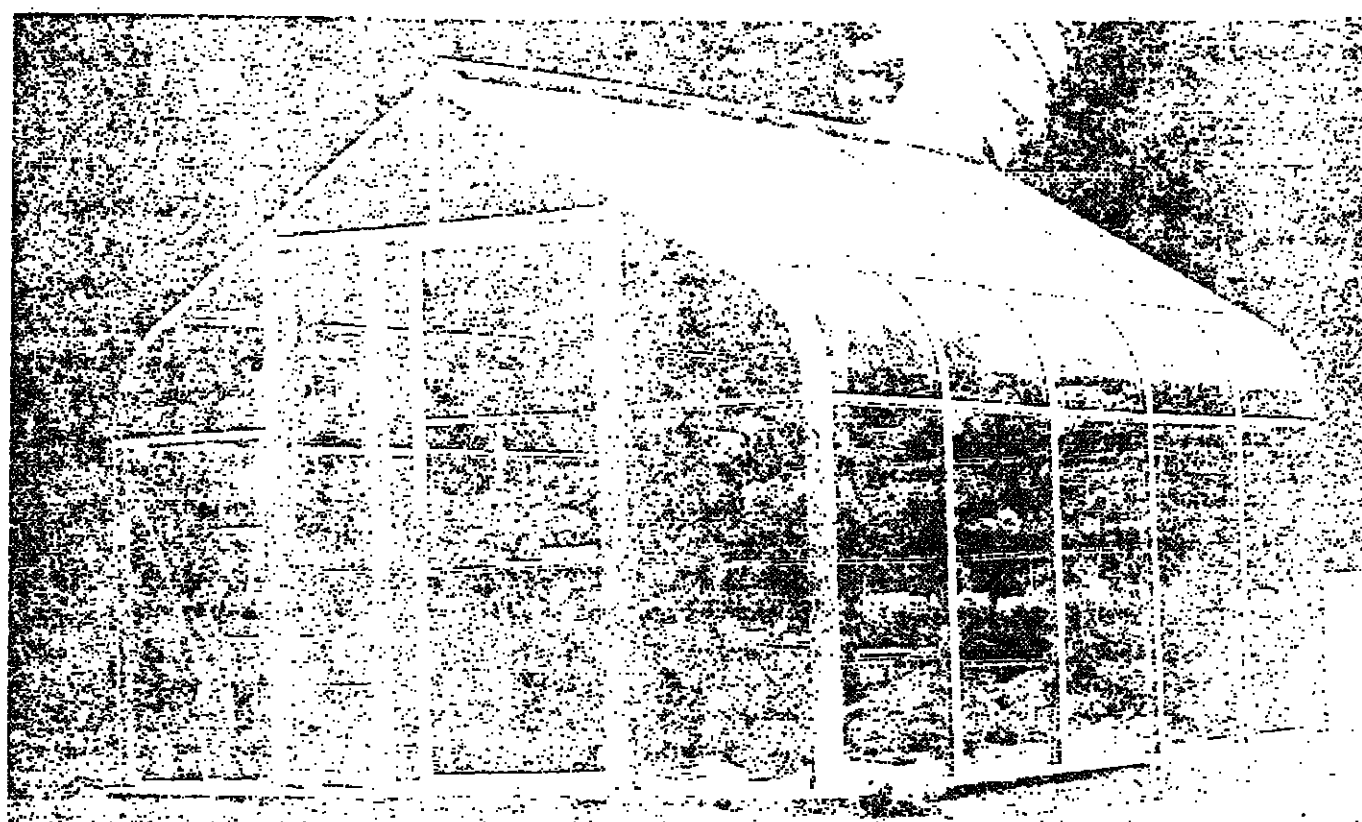
If you think you might like to own a greenhouse, if you have visions of strawberries in January, of tramping your own grapes for Claret Non Repos, of sprouting early vegetables and keeping your geraniums alive through the winter, then the first thing to do is to try and clarify in your mind just how ambitious you are going to be.

If you just want to extend the growing season for vegetables and germinate your seedlings then the less sophisticated "glass-to-ground" sort will do. But if it's orchids and show chrysanthemums you're after then you'll need a dwarf-walled greenhouse with some protective shading, a more sophisticated sort of structure.

The best way to start is to go to one of the specialist centres that are now opening up. Capability Brown, for instance, only started some six years ago but now it has 12 centres of its own (in the South-East) and some 35 dealers licensed to sell its products from Cornwall to Scotland. Ring Hordham 63221 for your nearest centre. Then there are about 30 Complete Greenhouse Centres around the country (ring Potter's Bar 44319 for the one nearest to you). Both these organisations offer the potential buyer the chance to see a very large number of different types and to ask for personal advice.

The best guarantee, said one expert, is to buy from a well-known name. Most of the multiple retailers (Tesco, Debenhams, large DIY stores) have excellent buyers who know what they're doing, so although the range may be limited you can be fairly sure you'll be getting value for money.

Most people in the field agree that price is a pretty good indicator of what you're getting.



Capability Brown has produced this handsome, rather Gothic-shaped greenhouse which provides a welcome change from the familiar greenhouse shapes. Not only is it good to look at but it has a very sturdy aluminium frame, and offers as an optional extra a double-glazed kit. This was only launched in 1980 but has become hugely successful, particularly in the North and in Scotland where the extra protection the kit offers has made a large difference to the range of plants that can be grown and to extending the

growing season. The BBC's Pebble Mill series conducted some tests on the double-glazed version and found that it needed 35 per cent less heat than that required by an identical third single glazed aluminium house. The greenhouse comes in several sizes, the cheapest of which (approx. 8 ft by 3 ft 6 in) is £145. The one in the photograph, above, is approx. 10 ft 11 in by 12 ft and is £699 — the double-glazing kit is another £229. From Capability Brown Centres or one of its authorised dealers.



Silver Mist is a company that specialises in wooden garden structures. It uses Scandinavian redwoods and also delivers all its products with glass cut to size. Wooden greenhouses, as Silver Mist points out, lose less heat than aluminium ones and knocking in nails, screws and shelving is much easier when wood is the fixing surface. The range Silver Mist offers is very attractive, ranging from a small 6 ft 4 in by 4 ft 6 in at £125 to one measuring 12 ft 6 in by 8 ft 4 in at £282. In the photograph, left, we show the Zodiac greenhouse, 8 ft 4 in by 6 ft 4 in which has double doors (easier to come in and out), hinged roof vents for ventilation and though this version is shown with glass to the ground it could be half clad at no extra cost. For £285 Silver Mist also supplies enough timber to provide staging for one side.

Most were very snooty about plastic greenhouses ("cheap and nasty on the whole" said one). Apart from the fact that that section of the market has attracted more than its fair share of dubious operators the very nature of the beast is such that temperatures tend to fluctuate quickly and there are problems with excessive condensation. They're also flimsy and, said another expert, "You'd be lucky if they lasted a season." Their main advantage is that they are cheap.

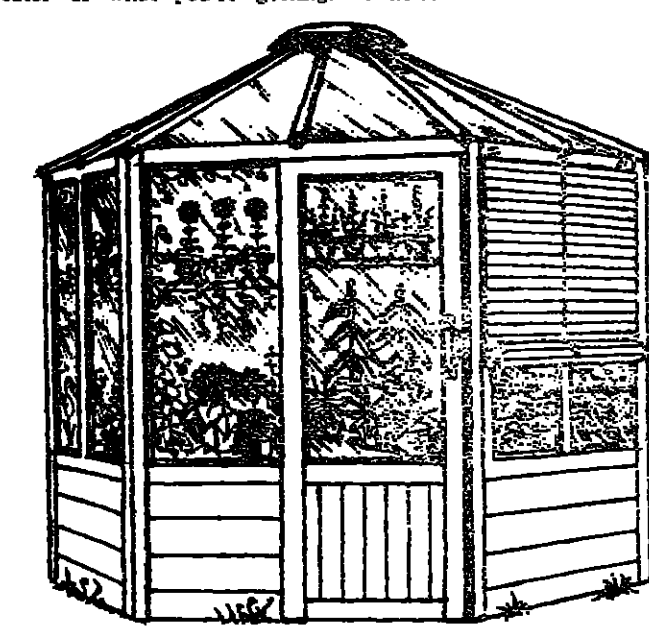
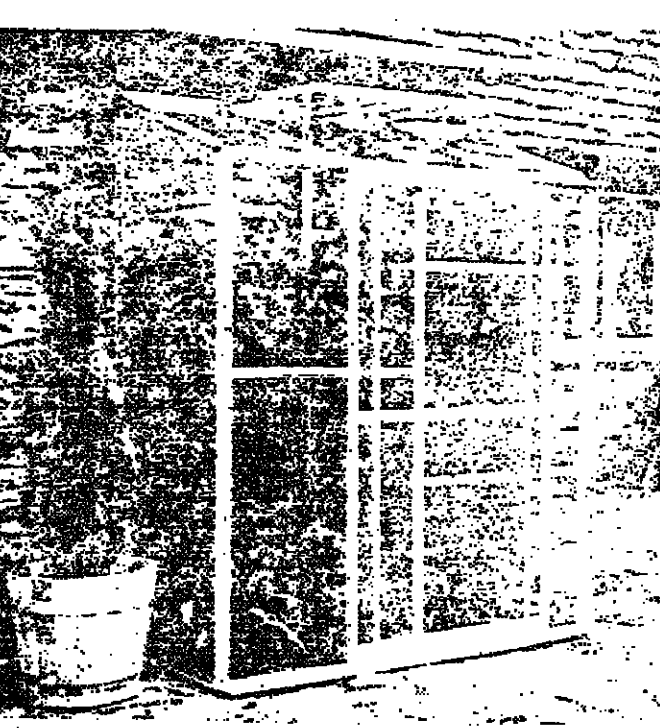
Moving up in price we come to the aluminium-framed houses.

Another way of keeping down the price is by thinning down the aluminium used for the structure — if you have a small, sheltered suburban garden this may not matter but if you live on a hill or are surrounded by open space it could mean it wouldn't survive the first strong gale.

Wood-framed houses with glass cladding seem to me to be the most attractive — but I must remember that the wood should change — be weather-proofed. Because they are not such good conductors of heat there is not the danger of too much condensation and the wooden frame makes it much easier to attach things like wiring, nail and hooks to them.

Heating and insulation need to go together. Small portable heaters are quite adequate for the ordinary amateur who just wants to extend the growing season of his plants and vegetables. Natural gas, oil or electric heating, all work well, too. Remember that rapid fluctuations in temperature are not conducive to raising good plants. Ventilation is vital — a rough rule of thumb the ventilation area should be a sixth of the floor area and not open to less than 2 ft. There are now many sophisticated ventilation systems that can be bought as extra — including some that operate automatically when the temperature rises.

You'll need some shading in the summer and you can either use blinds or polythene sheeting (though this will cause con-



Don Wheeler

One of the more interesting shapes in the largely uniform world of greenhouses is the Hexalight, shown above. It isn't new but it is still one of the most attractive greenhouses on the market. It is made by C. H. Whitehouse of Buckhurst Works, Frant, Tunbridge Wells and the wood is Western red cedar. It has automatic ventilation — particularly useful for those who are addicted to summer holidays and don't want to come back to a host of burned plants.

There are five low-level sliding ventilators. Low-level staging (if you're new to greenhouse vocabulary I'd better explain that this is the authentic word for the shelving) is included in the purchase price but high-level staging is available as an optional extra. Also optional are blinds — either wooden slatted blinds on the outside or green PVC blinds on the inside.

The basic price for the smaller Hexalight (diameter corner to corner is 8 ft 8 in) is £320, and for the larger one (diameter 10 ft 4 in), £680.

Where space is limited a lean-to structure can provide some greenhouse growing space so that frustrated gardeners can at least get some of the pleasures of early plants and vegetables and can provide some winter protection for geraniums, fuchsias and so on.

This particular lean-to, right, is Marley's Plantmaster. Ideally it should be put on to a south-facing wall and those who don't have access to soil can fill the base with peat bags, trays or pots. The frame is aluminium, there is a large hinged roof ventilator, and the measurements are 5 ft long, 2 ft 8 in wide and 6 ft 1 in high.

It costs £115 and the price includes ready-cut glass (a point to watch for as many firms' prices don't include this) and free delivery to most places. Order it from any Marley's show centre or direct from Marley Greenhouses, Chantry Lane, Storrington, Sussex.

International Energy Management

October 8, 1981

The Financial Times proposes to publish a Survey on International Energy Management to coincide with the Energy Managers' Conference on October 8-9 organised by the Department of Energy, Hotel Metropole, Birmingham. The provisional editorial synopsis is set out below.

Introduction:

There are signs that there has been a fundamental structural change in the supply and demand balance of energy. High prices and the perception of the fragility of oil supplies have led Governments, industry and individuals to accord the management of energy — the wise use of fuels and power — a high priority. As a result, energy suppliers have had to reassess the future growth of demand while those in the conservation industries are looking at expanding markets.

Editorial coverage will also include:

- Supply and Pricing
- Energy Consumers
- Conservation Hardware and Services
- Overview of the Market
- Insulation
- Electrical monitoring and control equipment
- Heat recovery systems
- Heat pumps
- Waste recycling
- Combined heat and power
- Energy Auditing
- British Gas GEM Awards
- Energy Managers

Advertising Copy Date: September 24, 1981. For further information and advertising rates please contact:

Peter Highland
Financial Times,
Bracken House,
10, Cannon Street,
LONDON EC4A 3BY.
Tel: 01-243 8000 Ext. 3360
Telex: 885033 FINTIM G

Financial Times

Europe's Business Newspaper

The size, contents and publication dates of Surveys in the Financial Times are subject to change at the discretion of the Editor.

Homesitters
Short-term
live-in
caretakers

Details from:
Homesitters Ltd,
10, Fleet Street, London, EC4A 3DF.
Buckley, HP22 5HT.
Tel: Aylesbury 631285.

ARTS

Sex and sensibility

BY B. A. YOUNG

Sweeping the night-sky last weekend, I overheard a pompous fellow remark: "It would almost be a good thing if you had a child by another man." Why, hello, Sir Clifford, I said to myself, and got the rest of the programme on tape. It was a version of *Lady Chatterley's Lover*. Play of the Week on the World Service.

The adaptation by Alan Jones (the first dramatised version to be made of the book, they tell me) has the same effect on the story that the censoring of the novel had, though for another reason. When the book was deprived of the sexual small-talk, it dwindled into a romance. Mr Jones, and Derek Hoddinott, the producer, have left plenty of sexual scenes in the play, with rich sounds of sexual congress that could never come from a printed page. But in 1981 the sex is tame compared with what may be read elsewhere, or seen on the cinema screen, and what was a pioneering venture into sexual celebration has once more become an eternal-triangle love story, even if it is rather more scintillating than the comparatively isoelectric triangles that stories of that kind usually rely on.

All credit, none the less, to the World Service for giving us (while we can still eavesdrop on it) this notorious tale as part of its regular service, and for doing it so handsomely. Lynn Farleigh's Connie Chatterley was as right as could be, a cold, selfish woman whose approach to the gamekeeper's embraces owed less to the love she professed for him than to her inextinguishable love for herself. Ian Hogg played Mellors in what I take to be an authentic Derbyshire accent (though I heard little like it at the Buxton Festival that weekend); he too was concerned mainly with himself, and no doubt this was D. H. Lawrence's theme, that true love is purely sensual and has nothing to do with making tea or washing nappies. As Sir Clifford, Simon Ward, sounding maturer than I have heard him before, produced the kind of voice that can say "In your sense of the word, they're not men, they're animals" when talking to his wife about the workers in his pit.

Classic fiction turned up again on Thursday on Radio 4, in a play called *Miss Havisham's Wedding Day*, by Carolyn Sally.

Jones. It extrapolated Miss Havisham's life-story backwards from *Great Expectations*, introducing her first to us at the age of 13 in her father's home in Barrackpore, Bengal.

The story Miss Jones had to tell was Dickensian in its proportions, so much so that I felt she must have written the 200,000 words of a novel first and then cut it for presentation as a two-hour radio play. Miss Havisham's mother died, using make-up containing a poisonous lead ingredient, but her doctor (and former suitor) told her husband she had caught smallpox from him because of his carrying-on in the docks. So Mr Havisham came to England with Ester and set up as a brewer, soon making a second fortune and marrying beneath him.

I've no space to recount the numerous episodes that followed, the adoption of little Harry, the return of Dr Beck from India, the machinations of Mr Wadsworth. One day, when riding on the marshes, Ester met Lieutenant Compeyson, and it was for her marriage to him that the set-up familiar to readers of Dickens was fixed. And of course he never came. It was all imaginatively done, with dialogue suggesting Dickens at his most romantic, though I got two nasty shocks: "Red marks have opened like someone had dug pits in the chalk," and one when Aunt Pocket appeared to say "Doctor, are you so castrated?"

Ester was played by Elizabeth Proud, her father by Michael Williams, her mother by Maxine Audley. Dr Beck by Stephen Baldwin, and the director was Ronald Mason.

What a lovely time Bernard Levin is having on his Radio 3 tour of North American festivals! I was so carried away by his account of the numberless orchestras of Aspen, Colorado that I am prepared to forgive him his pronunciation of "sonorous" and "inexplicable." I'd have been happier to know what he thought of Rimsky-Korsakov's Mozart and Salieri than what he thought of *Amadeus*, something he has already told us in an essay full of superlatives.

My apologies to Charles Fox and Peter Clayton for attributing *Jazz Record Requests* to the former rather than the latter.



Country Walk (1959) and Golfing at Le Touquet (1939)

The Norman Parkinson show

BY WILLIAM PACKER

Ours is an age in which a little personality can take the lucky owner a very long way indeed, and the more genuinely talented the person, the more clouded the issue is likely to become. Norman Parkinson, whose work is represented in a large retrospective at the National Portrait Gallery until October 25, is evidently, and by all accounts, a most amusing and highly agreeable fellow. He is not the first photographer, and certainly not the last, to have ridden his personal qualities for all they are worth in the practical pursuit of a career. His success in that is such that today the skull-cap, the moustache and the flowing robes, and his great height, mark him out as a character to the world at large, and a true celebrity within the narrower professional and creative worlds. He has adorned these 45 years past: good luck to him.

But there comes a moment when the work itself must be seen for what it is, if the natural claims of ambition, and the easy assumptions that sit with success, are ever to be substantiated. The retrospective comes none too soon, and if it

stands finally as a considerable personal triumph, it is also one that is most salutary for the doubts and difficulties it raises. For the working photographer so often wishes to be thought an artist too, and yet he is caught in so many ways. Parkinson began as a society photographer, and society photographer he still is, whose business is essentially flattery. He moved easily into the field of fashion photography where he works still, as wittily and inventively as ever; but that too is a discipline of illusion, of flattery at a certain remove. And it is all so seductive and ravishingly beautiful that all criticism is dismissed.

This is an enchanting exhibition, and it makes just this point almost by default, pricking us even after we have left the exhibition. Why should a man, an actress, a scholar or a cleric, be necessarily so important, so worth while, above all so good? It seems so easy, that all one need do is point the camera at a famous face; and we are back to personality again. These are all subtle, lively, and penetrating studies,

masterly portraits for the most part; but it is so easy to walk past each one seeing only the face, never the photograph.

And being somewhat more anonymous, and more workaday for all the lush dreams it purveys, it is the fashion photography that makes Parkinson's formal gifts and technical command more clearly apparent. He is a consummate craftsman, with the imaginative freedom to try any trick once; and no matter how overlaid with romanticism or surrealism the scheme may be, nor daring or unlikely the circumstances, nor energetic his models, a calm, abstract certainty of composition underpins everything he does. It is the old story of the artist revealing himself most clearly when at his least self-conscious, most engrossed in the work.

Elsewhere the work of the Portrait Gallery continues, and in the basement the small and lively display of recent modern acquisitions continues for another week (until August 23). The best things are a number of modest, unpretentious works from between the wars: two

very fine Bomberg self-portraits from 1937, one extremely rakish with a brush, as it might be in a cigarette in a long holder in his mouth; an exquisite Ethel Walker self-portrait from 1925—a proper reappraisal is long overdue; a tiny Claude Rogers of Sara Fry, Principal of Somerville, from 1939; a strong Gilbert Spencer self-portrait from 1919; and a very juicy Jacques-Emile Blanche from 1926 of Violet Trefusius, cross-legged in a black shirt.

There is also a kind of pendant to the show on the first landing upstairs, where the two new portraits of the Prince and Princess of Wales, both of them by Bryan Organ, are currently on conspicuous display. Organ has enjoyed considerable success as a portraitist over these past 25 years or so (indeed his portraits of Harold Macmillan and our own Dr Strong are in the basement show), but it grows increasingly hard to see why. A laboured likeness, painstakingly worked and set into a flattened photographic space, is what he supplies. The paint is dead, and the drawing and modelling is lifeless.

Glyndebourne Prom

BY RONALD CRICHTON

The opera season enterprisingly but in the middle of the Proms, inaugurated a week ago with *La forza del destino*, continued on Thursday with Glyndebourne's *Ariadne auf Naxos* at the Albert Hall. Tonight Johann Strauss succeeds Richard Wagner in the Glyndebourne in English. Monday brings in the 16-year-old Mozart's *Lucio Silla*, forgotten for years but now dug up, performed and recorded. Note that this performance starts at 7pm.

Ariadne drew a large audience to promenade and stalls. The balcony was thinly peopled. Before scourging the public for failing to risk a small sum to hear a first-rate account of a masterpiece (or wondering whether the big London opera houses' attempts to stage *Ariadne* may not have put people off) one must remember that, on the face of it, this is among the least likely of great operas to work in the Albert Hall. In fact the resources of the swollen oval are unpredictably aided by the skilful with which Glyndebourne (Moran Caplat adapting John Cox's existing production) transfers to wholly different surroundings, and far more numerous, possibly more knowledgeable, certainly more spontaneous public, the feast was safely accomplished.

There was the usual high-racked platform behind the orchestra, a minimum of props, a mixture of more or less modern clothing. The strong cast was the one reviewed here after the first night of this year's revival in Sussex—Helena Pösch as Ariadne, Dennis Bailey as Bacchus, Mari Ewing as the composer, Gianna Rolandi as Zerbinetta. The conductor was different—the young Austrian Gustav Kuhn, amply confirming the high promise he has been showing in Mozart.

One of the many striking things about Mr Kuhn's reading was the extent to which the two parts of *Ariadne* (Prologue and Opera proper) were made to match. Less fugitive brittleness

in the Prologue, more lyricism, the piano less prominent than usual—how odd incidentally the programme to give the names of the London Philharmonic players involved but to omit the pianist. Occasionally one seemed at a danger of yielding too readily to the golden flow, but in the culminating duet for Ariadne and Bacchus, where many conductors become Kuhn kept the score moving towards a triumphantly lucid and sonorous conclusion.

So there was a shift of emphasis to the principal characters, often in *Ariadne* left to fend more or less for themselves by producers concentrating on Zerbinetta and the buffo characters. Here there was some weakness revealed, not in the performers (the evasion for Miss Rolandi's coloratura showpiece stopped the show) but in text and music. Hofmannsthal's clowns serve his dramatic purpose but without the support of full staging they are bloodless things now, and their last interlude, after Zerbinetta's aria, sounded on Thursday the least interesting page in the score.

For the rest, we had the usual guessing game about which singers' personalities would carry in the Albert Hall where success has surprisingly little to do with power or volume. As the prima donna of the Prologue Miss Dösch made little effect. As Ariadne later, she slowly but surely found the measure of the hall as her words grew clearer. Mr Bailey's Bacchus, surely and roundly projected, was as good as one is likely to hear. Among the small roles in the Prologue, John Hall as the Lackey and Omar Ebrahim as the Wig Maker, made much of almost nothing. Best of all was the composer of Maria Ewing, slim, wide-eyed and wide-mouthed with indignation and passion, making every syllable, every intonation tell, carrying up to the big phrases in praise of music.

Change of pianist for Edinburgh Festival

The Hungarian pianist Zoltan Kocsis will replace Krystian Zimerman at the Edinburgh Festival's first Usher Hall piano recital on Monday. Zimerman has strained some ligaments in his hand.

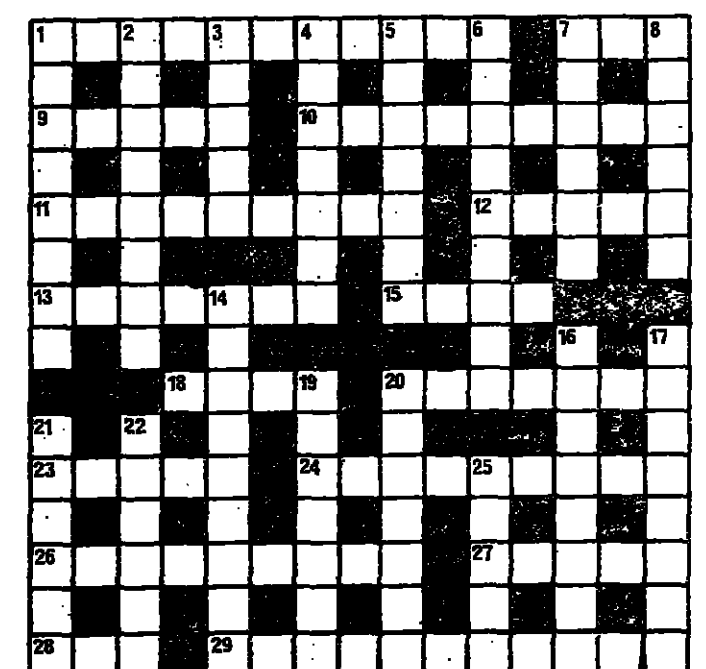
Kocsis is known to Edinburgh audiences, having appeared at the Festival in 1978. In 1970, at the age of 18, he won the Beethoven Piano Competition organised by Hungarian Radio and has since played regularly with the world's major orchestras.

His programme on Monday will include works by Wagner, Chopin and Bartok.

F.T. CROSSWORD PUZZLE No. 4647

A prize of £10 will be given to each of the senders of the first three correct solutions only. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4A 3DF. Winners and solution will be given next Saturday.

Name _____
Address _____



- ACROSS**
- Association of ideas? (8, 5)
 - Small strike apt to break out (3)
 - In rehearsal vets use this instrument (5)
 - A lad, one I'd put in order, sounds noisy (9)
 - China setting golf club's style (9)
 - Get left in draw at Glen-eagles (5)
 - Such abstraction can be grand (7)
 - Fire and plunder (4)
 - Common food for the worm (4)
 - Prodigious poet? (7)
 - Comedian using coarse material? (5)
 - Eastern dish often preferred to sultanas? (9)
 - Stymied if perplexed (9)
 - Refuse tea very strong (5)
 - How to heat sunburn (3)
 - Being rude to Gissy perhaps (11)
- DOWN**
- Bill's tea break in prison (8)
 - Crawling attitude of consistent zoifer? (3-5)
 - Indispensably dense form (5)
 - Home-brewer's overall? (3-4)
 - Full advice to the prodigal (7)
 - That's the trouble with hack-bills? (9)
 - Power scramble displays boat's propeller (8)
 - Poor condaim in the bank (6)
 - Vermicidal Avis? (5, 4)
 - These days, to correspond is enough (8)
 - Garden pest inexperienced yet knowing (8)
 - Our betters, of course (7)
 - What's-his-name duplicated the standing order (2-3-2)
 - Allow injunction to coiffure (8)
 - I am the first one in grammar (8)
 - Encounter ronic puzzle (5)

Solution to Puzzle No. 4646

CAPITANCT CORNADO
U A A A U R E O
T E A A A E R A I N
O E H L G A T I D
P E R C E D I N A R K I E
P T T M A R I A N D E N
A B T O V A N D O R E
I L E R Y R N C H N
A I A I N A M I T A T E
A E A A A A A A A
O I P P L Y C O N D O L E
U T A E E O
T E N U R E T E A R A W A Y

TV/Radio

† Indicates programme in black and white

BBC 1

7.15-8.30 am Open University (Ultra high frequency only).
9.05 Play Golf. 9.30 Get Set For Summer. 11.00 Edgar Kennedy in "Maid To Order". 11.22 Weather. 11.25 Cricket-Fifth Test: England v Australia. 1.30 pm Grandstand: Evening from London Park (1.35, 3.20).
Racing from Newbury (1.50, 2.20, 2.50). Cricket: Fifth Test (2.10, 2.40, 3.20).
Athletics from Cwmbran (3.10) and Athletics from Zagreb (4.25, 6.05) and at 6.50 Final Score.
3.50 News.
6.00 Sport/Regional News.
6.05 Grandstand (continued).
6.55 The Saturday Film: "Speedway", starring Elvis Presley.
8.30 Sunday Special.
9.15 News and Sport.
9.30 Flamingo Road.
11.05 My Kind of Music.
11.35 House Calls.

All Regions as BBC 1 except as follows:—
Cymru/Wales—6.00-6.05 pm Sports News Wales.

Scotland—12.00 am News and Weather for Scotland.
Northern Ireland—1.30-5.25 pm and 5.35-5.50 Grandstand. 5.25-5.35 Scoreboard. 6.00-6.05 Northern Ireland News and Sport. 12.00 am News and Weather for Northern Ireland.

England—6.00-6.05 pm (South-West only) Saturday Spotlight.

BBC 2

7.40 am-2.20 pm Open University.
2.55 Saturday Cinema: "School For Scoundrels", starring Ian Carmichael.
4.25 Cricket-Fifth Test: England v Australia.
6.40 Project Tomorrow.
7.10 News and Sport.
7.30 Spirit of Asia.
8.30 Yours Sincerely.
9.10 Newsnight in Turkey.
10.00 Cricket: Fifth Test highlights.
10.30 News on 2.
10.35 Horror Double Bill—(1): "The Curse of the Cat People", starring Simone Simon.
11.40 Horror Double Bill—(2): "Eye of the Cat", starring Michael Sarrazin and Gayle Hunnicutt.

Solution and winners of puzzle no. 4641.

Mrs J. S. Howden,
4 Wendon Drive,
Raislip,
Paisley,
Renfrewshire.
K. A. Woodall,
2 St Nicholas Close,
Aldreth,
Derby DE3 2JW.
R. Armstead,
292 Fulford Road,
York YO1 4PD.

BBC 2 Northern Ireland only

2.45-6.40 pm Golf: Carrolls Irish Open, and Cricket: Fifth Test.

LONDON

8.45 am Sesame Street. 9.45 Jan 90. 10.10 The Beachcombers. 10.35 Thunderbirds. 11.30 Clapperboard. 12.00 The Lost Islands. 12.30 pm World of Sport: 12.35 International Sports Special (part 1). 1.15 Swimming—U.S. Outdoor Championships, followed by Australian Pools Check. 1.15 News. 1.20 The ITV Seven from Ripon and Wolverhampton. 3.10 International Sports Special (part 2). 3.10 Yachting. 3.50 Wrestling. 4.30 International Athletics: European Cup Final. 5.10 Results Service. 5.20 Athletics: European Cup Final. 5.40 Chips. 6.35 Mind Your Language. 7.05 Happy Days. 7.35 "The Big Trade", starring Robert Blake. 8.20 Seagull Island. 10.20 News. 10.35 Athletics: European Cup Final. 11.30 Let's Rock. 12.00 Police Surgeon. 12.30 am Close: Personal Choice with Mollie Sugden.

All IBA Regions as London except at the following times:—

Cymru/Wales—6.00-6.05 pm Sports News Wales.

Scotland—12.00 am News and Weather for Scotland.
Northern Ireland—1.30-5.25 pm and 5.35-5.50 Grandstand. 5.25-5.35 Scoreboard. 6.00-6.05 Northern Ireland News and Sport. 12.00 am News and Weather for Northern Ireland.

ATV

9.10 am A Better Read. 9.35 The Television Programme. 10.00 News. 10.10 The Flying Kiu. 10.30 The Flying Kiu. 10.50 The Flying Kiu. 11.00 The Flying Kiu. 11.20 The Flying Kiu. 11.40 The Flying Kiu. 12.00 The Flying Kiu. 12.30 The Flying Kiu. 1.00 The Flying Kiu. 1.30 The Flying Kiu. 1.50 The Flying Kiu. 2.10 The Flying Kiu. 2.30 The Flying Kiu. 2.50 The Flying Kiu. 3.10 The Flying Kiu. 3.30 The Flying Kiu. 3.50 The Flying Kiu. 4.10 The Flying Kiu. 4.30 The Flying Kiu. 4.50 The Flying Kiu. 5.10 The Flying Kiu. 5.30 The Flying Kiu. 5.50 The Flying Kiu. 6.10 The Flying Kiu. 6.30 The Flying Kiu. 6.50 The Flying Kiu. 7.10 The Flying Kiu. 7.30 The Flying Kiu. 7.50 The Flying Kiu. 8.10 The Flying Kiu. 8.30 The Flying Kiu. 8.50 The Flying Kiu. 9.10 The Flying Kiu. 9.30 The Flying Kiu. 9.50 The Flying Kiu. 10.10 The Flying Kiu. 10.30 The Flying Kiu. 10.50 The Flying Kiu. 11.10 The Flying Kiu. 11.30 The Flying Kiu. 11.50 The Flying Kiu. 12.10 The Flying Kiu. 12.30 The Flying Kiu. 12.50 The Flying Kiu. 1.10 The Flying Kiu. 1.30 The Flying Kiu. 1.50 The Flying Kiu. 2.10 The Flying Kiu. 2.30 The Flying Kiu. 2.50 The Flying Kiu. 3.10 The Flying Kiu. 3.30 The Flying Kiu. 3.50 The Flying Kiu. 4.10 The Flying Kiu. 4.30 The Flying Kiu. 4.50 The Flying Kiu. 5.10 The Flying Kiu. 5.30 The Flying Kiu. 5.50 The Flying Kiu. 6.10 The Flying Kiu. 6.30 The Flying Kiu. 6.50 The Flying Kiu. 7.10 The Flying Kiu. 7.30 The Flying Kiu. 7.50 The Flying Kiu. 8.10 The Flying Kiu. 8.30 The Flying Kiu. 8.50 The Flying Kiu. 9.10 The Flying Kiu. 9.30 The Flying Kiu. 9.50 The Flying Kiu. 10.10 The Flying Kiu. 10.30 The Flying Kiu. 10.50 The Flying Kiu. 11.10 The Flying Kiu. 11.30 The Flying Kiu. 11.50 The Flying Kiu. 12.10 The Flying Kiu. 12.30 The Flying Kiu. 12.50 The Flying Kiu. 1.10 The Flying Kiu. 1.30 The Flying Kiu. 1.50 The Flying Kiu. 2.10 The Flying Kiu. 2.30 The Flying Kiu. 2.50 The Flying Kiu. 3.10 The Flying Kiu. 3.30 The Flying Kiu. 3.50 The Flying Kiu. 4.10 The Flying Kiu. 4.30 The Flying Kiu. 4.50 The Flying Kiu. 5.10 The Flying Kiu. 5.30 The Flying Kiu. 5.50 The Flying Kiu. 6.10 The Flying Kiu. 6.30 The Flying Kiu. 6.50 The Flying Kiu. 7.10 The Flying Kiu. 7.30 The Flying Kiu. 7.50 The Flying Kiu. 8.10 The Flying Kiu. 8.30 The Flying Kiu. 8.50 The Flying Kiu. 9.10 The Flying Kiu. 9.30 The Flying Kiu. 9.50 The Flying Kiu. 10.10 The Flying Kiu. 10.30 The Flying Kiu. 10.50 The Flying Kiu. 11.10 The Flying Kiu. 11.30 The Flying Kiu. 11.50 The Flying Kiu. 12.10 The Flying Kiu. 12.30 The Flying Kiu. 12.50 The Flying Kiu. 1.10 The Flying Kiu. 1.30 The Flying Kiu. 1.50 The Flying Kiu. 2.10 The Flying Kiu. 2.30 The Flying Kiu. 2.50 The Flying Kiu. 3.10 The Flying Kiu. 3.30 The Flying Kiu. 3.50 The Flying Kiu. 4.10 The Flying Kiu. 4.30 The Flying Kiu. 4.50 The Flying Kiu. 5.10 The Flying Kiu. 5.30 The Flying Kiu. 5.50 The Flying Kiu. 6.10 The Flying Kiu. 6.30 The Flying Kiu. 6.50 The Flying Kiu. 7.10 The Flying Kiu. 7.30 The Flying Kiu. 7.50 The Flying Kiu. 8.10 The Flying Kiu. 8.30 The Flying Kiu. 8.50 The Flying Kiu. 9.10 The Flying Kiu. 9.30 The Flying Kiu. 9.50 The Flying Kiu. 10.10 The Flying Kiu. 10.30 The Flying Kiu. 10.50 The Flying Kiu. 11.10 The Flying Kiu. 11.30 The Flying Kiu. 11.50 The Flying Kiu. 12.10 The Flying Kiu. 12.30 The Flying Kiu. 12.50 The Flying Kiu. 1.10 The Flying Kiu. 1.30 The Flying Kiu. 1.50 The Flying Kiu. 2.10 The Flying Kiu. 2.30 The Flying Kiu. 2.50 The Flying Kiu. 3.10 The Flying Kiu. 3.30 The Flying Kiu. 3.50 The Flying Kiu. 4.10 The Flying Kiu. 4.30 The Flying Kiu. 4.50 The Flying Kiu. 5.10 The Flying Kiu. 5.30 The Flying Kiu. 5.50 The Flying Kiu. 6.10 The Flying Kiu. 6.30 The Flying Kiu. 6.50 The Flying Kiu. 7.10 The Flying Kiu. 7.30 The Flying Kiu. 7.50 The Flying Kiu. 8.10 The Flying Kiu. 8.30 The Flying Kiu. 8.50 The Flying Kiu. 9.10 The Flying Kiu. 9.30 The Flying Kiu. 9.50 The Flying Kiu. 10.10 The Flying Kiu. 10.30 The Flying Kiu. 10.50 The Flying Kiu. 11.10 The Flying Kiu. 11.30 The Flying Kiu. 11.50 The Flying Kiu. 12.10 The Flying Kiu. 12.30 The Flying Kiu. 12.50 The Flying Kiu. 1.10 The Flying Kiu. 1.30 The Flying Kiu. 1.50 The Flying Kiu. 2.10 The Flying Kiu. 2.30 The Flying Kiu. 2.50 The Flying Kiu. 3.10 The Flying Kiu. 3.30 The Flying Kiu. 3.50 The Flying Kiu. 4.10 The Flying Kiu. 4.30 The Flying Kiu. 4.50 The Flying Kiu. 5.10 The Flying Kiu. 5.30 The Flying Kiu. 5.50 The Flying Kiu. 6.10 The Flying Kiu. 6.30 The Flying Kiu. 6.50 The Flying Kiu. 7.10 The Flying Kiu. 7.30 The Flying Kiu. 7.50 The Flying Kiu. 8.10 The Flying Kiu. 8.30 The Flying Kiu. 8.50 The Flying Kiu. 9.10 The Flying Kiu. 9.30 The Flying Kiu. 9.50 The Flying Kiu. 10.10 The Flying Kiu. 10.30 The Flying Kiu. 10.50 The Flying Kiu. 11.10 The Flying Kiu. 11.30 The Flying Kiu. 11.50 The Flying Kiu. 12.10 The Flying Kiu. 12.30 The Flying Kiu. 12.50 The Flying Kiu. 1.10 The Flying Kiu. 1.30 The Flying Kiu. 1.50 The Flying Kiu. 2.10 The Flying Kiu. 2.30 The Flying Kiu. 2.50 The Flying Kiu. 3.10 The Flying Kiu. 3.30 The Flying Kiu. 3.50 The Flying Kiu. 4.10 The Flying Kiu. 4.30 The Flying Kiu. 4.50 The Flying Kiu. 5.10 The Flying Kiu. 5.30 The Flying Kiu. 5.50 The Flying Kiu. 6.10 The Flying Kiu. 6.30 The Flying Kiu. 6.50 The Flying Kiu. 7.10 The Flying Kiu. 7.30 The Flying Kiu. 7.50 The Flying Kiu. 8.10 The Flying Kiu. 8.30 The Flying Kiu. 8.50 The Flying Kiu. 9.10 The Flying Kiu. 9.30 The Flying Kiu. 9.50 The Flying Kiu. 10.10 The Flying Kiu. 10.30 The Flying Kiu. 10.50 The Flying Kiu. 11.10 The Flying Kiu. 11.30 The Flying Kiu. 11.50 The Flying Kiu. 12.10 The Flying Kiu. 12.30 The Flying Kiu. 12.50 The Flying Kiu. 1.10 The Flying Kiu. 1.30 The Flying Kiu. 1.50 The Flying Kiu. 2.10 The Flying Kiu. 2.30 The Flying Kiu. 2.50 The Flying Kiu. 3.10 The Flying Kiu. 3.30 The Flying Kiu. 3.50 The Flying Kiu. 4.10 The Flying Kiu. 4.30 The Flying Kiu. 4.50 The Flying Kiu. 5.10 The Flying Kiu. 5.30 The Flying Kiu. 5.50 The Flying Kiu. 6.10 The Flying Kiu. 6.30 The Flying Kiu. 6.50 The Flying Kiu. 7.10 The Flying Kiu. 7.30 The Flying Kiu. 7.50 The Flying Kiu. 8.10 The Flying Kiu. 8.30 The Flying Kiu. 8.50 The Flying Kiu. 9.10 The Flying Kiu. 9.30 The Flying Kiu. 9.50 The Flying Kiu. 10.10 The Flying Kiu. 10.30 The Flying Kiu. 10.50 The Flying Kiu. 11.10 The Flying Kiu. 11.30 The Flying Kiu. 11.50 The Flying Kiu. 12.10 The Flying Kiu. 12.30 The Flying Kiu. 12.50 The Flying Kiu. 1.10 The Flying Kiu. 1.30 The Flying Kiu. 1.50 The Flying Kiu. 2.10 The Flying Kiu. 2.30 The Flying Kiu. 2.50 The Flying Kiu. 3.10 The Flying Kiu. 3.30 The Flying Kiu. 3.50 The Flying Kiu. 4.10 The Flying Kiu. 4.30 The Flying Kiu. 4.50 The Flying Kiu. 5.10 The Flying Kiu. 5.30 The Flying Kiu. 5.50 The Flying Kiu. 6.10 The Flying Kiu. 6.30 The Flying Kiu. 6.50 The Flying Kiu. 7.10 The Flying Kiu. 7.30 The Flying Kiu. 7.50 The Flying Kiu. 8.10 The Flying Kiu. 8.30 The Flying Kiu. 8.50 The Flying Kiu. 9.10 The Flying Kiu. 9.30 The Flying Kiu. 9.50 The Flying Kiu. 10.10 The Flying Kiu. 10.30 The Flying Kiu. 10.50 The Flying Kiu. 11.10 The Flying Kiu. 11.30 The Flying Kiu. 11.50 The Flying Kiu. 12.10 The Flying Kiu. 12.30 The Flying Kiu. 12.50 The Flying Kiu. 1.10 The Flying Kiu. 1.30 The Flying Kiu. 1.50 The Flying Kiu. 2.10 The Flying Kiu. 2.30 The Flying Kiu. 2.50 The Flying Kiu. 3.10 The Flying Kiu. 3.30 The Flying Kiu. 3.50 The Flying Kiu. 4.10 The Flying Kiu. 4.30 The Flying Kiu. 4.50 The Flying Kiu. 5.10 The Flying Kiu. 5.30 The Flying Kiu. 5.50 The Flying Kiu. 6.10 The Flying Kiu. 6.30 The Flying Kiu. 6.50 The Flying Kiu. 7.10 The Flying Kiu. 7.30 The Flying Kiu. 7.50 The Flying Kiu. 8.10 The Flying Kiu. 8.30 The Flying Kiu. 8.50 The Flying Kiu. 9.10 The Flying Kiu. 9.30 The Flying Kiu. 9.50 The Flying Kiu. 10.10 The Flying Kiu. 10.30 The Flying Kiu. 10.50 The Flying Kiu. 11.10 The Flying Kiu. 11.30 The Flying Kiu. 11.50 The Flying Kiu. 12.10 The Flying Kiu. 12.30 The Flying Kiu. 12.50 The Flying Kiu. 1.10 The Flying Kiu. 1.30 The Flying Kiu. 1.50 The Flying Kiu. 2.10 The Flying Kiu. 2.30 The Flying Kiu. 2.50 The Flying Kiu. 3.10 The Flying Kiu. 3.30 The Flying Kiu. 3.50 The Flying Kiu. 4.10 The Flying Kiu. 4.30 The Flying Kiu. 4.50 The Flying Kiu. 5.10 The Flying Kiu. 5.30 The Flying Kiu. 5.50 The Flying Kiu. 6.10 The Flying Kiu. 6.30 The Flying Kiu. 6.50 The Flying Kiu. 7.10 The Flying Kiu. 7.30 The Flying Kiu. 7.50 The Flying Kiu. 8.10 The Flying Kiu. 8.30 The Flying Kiu. 8.50 The Flying Kiu. 9.10 The Flying Kiu. 9.30 The Flying Kiu. 9.50 The Flying Kiu. 10.10 The Flying Kiu. 10.30 The Flying Kiu. 10.50 The Flying Kiu. 11.10 The Flying Kiu. 11.30 The Flying Kiu. 11.50 The Flying Kiu. 12.10 The Flying Kiu. 12.30 The Flying Kiu. 12.50 The Flying Kiu. 1.10 The Flying Kiu. 1.30 The Flying Kiu. 1.50 The Flying Kiu. 2.10 The Flying Kiu. 2.30 The Flying Kiu. 2.50 The Flying Kiu. 3.10 The Flying Kiu. 3.30 The Flying Kiu. 3.50 The Flying Kiu. 4.10 The Flying Kiu. 4.30 The Flying Kiu. 4.50 The Flying Kiu. 5.10 The Flying Kiu. 5.30 The Flying Kiu. 5.50 The Flying Kiu. 6.10 The Flying Kiu. 6.30 The Flying Kiu. 6.50 The Flying Kiu. 7.10 The Flying Kiu. 7.30 The Flying Kiu. 7.50 The Flying Kiu. 8.10 The Flying Kiu. 8.30 The Flying Kiu. 8.50 The Flying Kiu. 9.10 The Flying Kiu. 9.30 The Flying Kiu. 9.50 The Flying Kiu. 10.10 The Flying Kiu. 10.30 The Flying Kiu. 10.50 The Flying Kiu. 11.10 The Flying Kiu. 11.30 The Flying Kiu. 11.50 The Flying Kiu. 12.10 The Flying Kiu. 12.30 The Flying Kiu. 12.50 The Flying Kiu. 1.10 The Flying Kiu. 1.30 The Flying Kiu. 1.50 The Flying Kiu. 2.10 The Flying Kiu. 2.30 The Flying Kiu. 2.50 The Flying Kiu. 3.10 The Flying Kiu. 3.30 The Flying Kiu. 3.50 The Flying Kiu. 4.10 The Flying Kiu. 4.30 The Flying Kiu. 4.50 The Flying Kiu. 5.10 The Flying Kiu. 5.30 The Flying Kiu. 5.50 The Flying Kiu. 6.10 The Flying Kiu. 6.30 The Flying Kiu. 6.50 The Flying Kiu. 7.10 The Flying Kiu. 7.30 The Flying Kiu. 7.50 The Flying Kiu. 8.10 The Flying Kiu. 8.30 The Flying Kiu. 8.50 The Flying Kiu. 9.10 The Flying Kiu. 9.30 The Flying Kiu. 9.50 The Flying Kiu. 10.10 The Flying Kiu. 10.30 The Flying Kiu. 10.50 The Flying Kiu. 11.10 The Flying Kiu. 11.30 The Flying Kiu. 11.50 The Flying Kiu. 12.10 The Flying Kiu. 12.30 The Flying Kiu. 12.50 The Flying Kiu. 1.10 The Flying Kiu. 1.30 The Flying Kiu. 1.50 The Flying Kiu. 2.10 The Flying Kiu. 2.30 The Flying Kiu. 2.50 The Flying Kiu. 3.10 The Flying Kiu. 3.30 The Flying Kiu. 3.50 The Flying Kiu. 4.10 The Flying Kiu. 4.30 The Flying Kiu. 4.50 The Flying Kiu. 5.10 The Flying Kiu. 5.30 The Flying Kiu. 5.50 The Flying Kiu. 6.10 The Flying Kiu. 6.30 The Flying Kiu. 6.50 The Flying Kiu. 7.10 The Flying Kiu. 7.30 The Flying Kiu. 7.50 The Flying Kiu. 8.10 The Flying Kiu. 8.30 The Flying Kiu

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3DF

Telegrams: Finantime, London FSA. Telex: 835437

Telephone: 01-245 5000

Saturday August 15 1981

Optimism in the markets

THE SEALS of approval for the Government's approach to the economy, administered this week both by domestic investors and by the foreign pundits of the OECD, should do no end of good for the Conservative Party's morale, which was showing signs of sagging before the Parliamentary recess.

The stock market can be a fickle ally and past bouts of euphoria about the coming economic recovery have been rapidly displaced by ever more extreme cycles of gloom about the course of interest rates. But the achievement of a new record high of 335.45 by the FT-Actuaries All Share Index and the 44-point rise in the Industrial Ordinary Index in the past two weeks, have this time been accompanied by a whole series of indicators which suggest that Sir Geoffrey Howe is probably right to maintain that the worst of the recession is now at an end.

Encouraging

The 1.3 per cent increase in industrial production between May and June, announced on Wednesday, the encouraging surveys from several Chambers of Commerce, and other, less publicised indicators such as building material sales and steel and chemical output announced this week, suggest that something more decisive may be going on in the economy than the encouraging statistical blips seen during the spring's "false dawn".

On the other hand, it must be remembered that there have been some rather powerful special factors in operation in the past few months, including the fall of sterling against the dollar and the very rapid growth in the money supply due to the civil service strike. The second of these factors at least will have to be sharply reversed if the Government's general economic strategy is to survive.

Comments from company chairmen have added further fuel to the stock market's hopes. Even companies most desperately afflicted by the recession, such as Tube Investments, Automotive Products, and Carrington Virella, are now looking forward to profits in the second half of the year. The profits will still be inadequate and they will be earned on output much reduced since the start of the recession. But there has been a marked improvement in the outlook since last year, when the Stock Exchange seemed almost to be taking for granted that several major manufacturing companies would be unable to survive the recession at all.

The prospect of profitability improving, but output remaining more or less static, which the chairman of Tube Investments, for example, outlined this week, is very much in line with the expectations of the forecasters at the OECD. In

their annual survey of the UK economy, published yesterday, they predict a small further decline in Gross Domestic Product during the rest of the year, followed by a roughly equal increase (about 1 per cent) during 1982. That may seem a pretty dismal performance for an economy which, as the OECD points out, will have declined for nearly three consecutive years. In fact, it will leave manufacturing production "by the end of the forecast period at a level of over one-fifth below its 1973 peak."

But despite some even less pleasant prognostications about Britain's export performance—the OECD expects a current account deficit running at an annual rate of \$2.5bn by the second half of 1982—the OECD's general conclusions on the economic strategy read almost as if they had been drafted by the Treasury itself. Some of the Government's favourite phrases, most notably the acceptance of "greater realism in private sector pay bargaining," feature prominently in the OECD's analysis.

There is even confirmation of the claim made by Mrs Thatcher on her return from last month's Ottawa Summit, that the other major trading nations broadly agreed with the Government's approach to economic management. The OECD recommends that "the authorities will have to maintain a relatively tight and steady macro-economic policy stance in the medium term. This is in line with the agreement reached by OECD Ministers in June 1981 on the need for medium-term monetary and fiscal policies which are non-accommodating of inflation."

Pay bargaining

The main point on which the Government's outlook seems to be at variance with that of the international economic establishment relates to the system of pay bargaining. The "closer dialogue with the social partners" on pay which the OECD suggests may be susceptible to many different interpretations, but there is no indication that any of them could be introduced into British economic policy at the moment.

The great question this poses is whether it will be possible to bring about the decline in real wages that the OECD, in common with almost all economic commentators, believes to be indispensable to a sound economic recovery in Britain. One thing is certain. President Reagan's methods for dealing with recalcitrant strikers in America are hardly conceivable in Britain. As the European Court of Human Rights reminded us this week, Britain still has one of the world's most permissive systems of union legislation. But that is another question for another day.

MUFFLED SOUNDS of a boardroom row and the bland announcement a fortnight ago that Mr Ian Philipps had resigned as chairman of TI Raleigh, the Nottingham-based bicycle company, signalled a crisis in yet another of Britain's traditional industries.

The extent of the problem became clear this week. Tube Investments, Raleigh's parent, lost £7.7m before finance costs on its cycles and toys business in the first half of this year. There are more red figures to come.

Raleigh still claims to be the world's largest manufacturer and exporter of cycles and components, having established itself in markets across the globe by the early years of the century. And it remains a giant among minnows in the UK, with its output this year of about 1.4m bikes representing more than 70 per cent of production.

But the scale of its UK operations has contracted substantially. Raleigh has closed five factories in 12 months, and already this year has shed some 1,300 jobs. Its UK workforce is down to 6,000 people, compared with around 10,000 five years ago.

And, although it expects a marked improvement in sales as destocking in the industry comes to an end, it warns that further restructuring will be necessary before the cycles business can get back into profits.

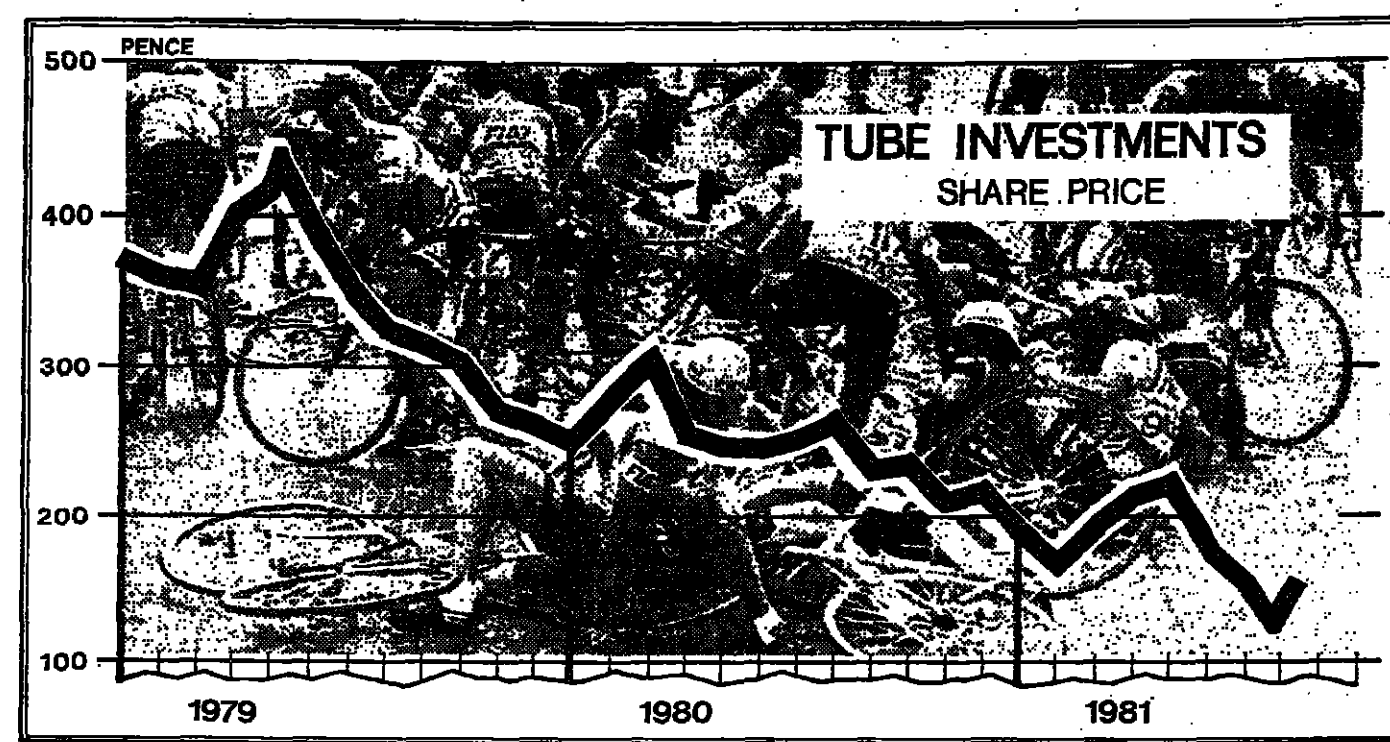
TI's chairman, Sir Brian Kellett, has not finally decided how radical the next round of restructuring will have to be. But he makes it clear that the nature of the company has changed fundamentally and permanently during the last few years.

Raleigh was a business which did very nicely when sterling was low and money was cheap, he says. Over half its output was exported, with a heavy emphasis on Third World countries. It was a strongly seasonal operation with long supply lines and large working capital needs.

The economics of Raleigh were transformed by the rise in sterling, the impact of inflation on UK manufacturing costs, and the jump in interest rates. Most alarming of all is the rapid upsurge in imports, which in less than a decade have jumped from negligible levels to more than 30 per cent of the market.

Linked to the rise in imports is a retailing revolution. The last two years have seen a dramatic increase in the number of outlets selling bikes. The dominance of the specialist retailers, which traditionally have handled more than 60 per cent of the trade, is threatened by cut-price sales from direct mail operations, garage forecourts, and the serious entry into the market of discount stores such as Woolworth, Tesco, Argos and Asda.

British manufacturers, led by Raleigh, have spurned such outlets. But in the words of one industry expert: "The flood of imports could swamp the home market and erode much of what was once a strong manufacturing base."



market and erode much of what was once a strong manufacturing base."

The rapid success of the importers in carving out a new sector of the cycles market may well have played a part in the surprise departure of Mr Philipps, a much-respected figure who was a TI main board director for more than 10 years, as well as vice-chairman of the East Midlands region of the Confederation of British Industry.

He remains discreet about the details of his departure: "Talk of a boardroom split is too dramatic, but there is a difference of opinion between myself and Sir Brian Kellett about what is practical and possible to achieve."

Sir Brian dismisses press reports of a row as "fantastic fabrication." "We judged the time was right to appoint a fresh captain," he says.

Mr Philipps, ex-Winchester and Cambridge and a keen member of the Quorn Hunt, headed

the company with a relaxed and somewhat patrician style. He was respected by the trade unions and did much to improve the company's troubled industrial relations.

Seven years ago he was drafted into the cycles operation to sort out a company that was seen to be handicapped by its history. Production at Nottingham was located on a rambling 63-acre site with many buildings dating from early this century; markets were far-flung and established in colonial days; attitudes were conservative.

Mr Philipps identified the unique strength of Raleigh as its vertical integration. Unlike cycle companies elsewhere in the world which tended to be mere assemblers of components, Raleigh supplied its own parts. Total control of the product offered the chance to place emphasis upon quality and the Raleigh brand identity.

The established frame-making and assembly operation was seen to be vulnerable, both be-

cause of the trend by developing nations to set up their own facilities and the company's reliance on Commonwealth and U.S. markets.

Two years ago, currency movements prompted Raleigh, which had supplied around 250,000 cycles to the U.S. from Nottingham to switch the bulk of the order to Taiwan and Japanese manufacturers under a licence arrangement.

To compensate, Raleigh launched an assault on continental Europe. Transport costs would be minimal compared with more distant markets. Britain's wages were lower and the Common Market provided the protection of a common external tariff. Sponsorship of a racing team good enough to win the Tour de France was the marketing tool chosen.

By 1978, Raleigh had lifted the top racing prize, watched by an estimated 100m television viewers on the Continent. European sales had climbed from

next to nothing to 220,000 a year, the company was profitable and the strategy seemed to have proven itself.

But 12 months later, the picture was looking very different. Sterling was rising fast and export markets such as Nigeria and Iran were collapsing under political and economic pressures. The domestic market was enjoying boom conditions — but the 13-week national engineering dispute crippled production at a key moment when importers were already beginning to rub their hands at the strength of the pound.

Ironically, it was the continental manufacturers who were quickest to fill the gap in UK demand. Imports from West Germany, Italy and Austria soared to nearly 340,000 bikes in 1979, over three times the level two years earlier.

Last year there were hopes that the UK boom would continue, even though demand was

dull elsewhere in Europe.

In the event, an industry that had produced for an expected record UK market of 1.56m sales found the distribution and retail pipeline jammed by an estimated 250,000 unsold cycles. Retailers have been engaged in a fierce price-cutting war for the past six months to clear the backlog — and Raleigh's despatches in the early months of this year were running at less than a third of 1980 levels.

Mr Philipps spelt out the serious implications to Raleigh union leaders at the Nottingham plant last month. He promised detailed proposals of "substantial further cuts" by the end of August.

The obvious question following his departure is whether Raleigh will opt for a more aggressive marketing policy in a bid to ensure sufficient loading for the Nottingham facilities. The factory could build around 2m cycles a year. In 1981, it will probably only produce about 1.2m, of which half will go for export.

So far Raleigh has led the UK industry in refusing to supply the newcomers to the retail trade — direct mail companies, discount stores and the like — even though unofficial estimates suggest that the number of cycles they handled grew from 150,000 in 1978 to 350,000 last year.

Its reasoning has been that such outlets could not provide the important before-and-after-sales services regarded as vital both to safety and the company's brand image. Raleigh has also argued that the decrease in orders from the traditional cycle dealers which it believes would follow from a change in policy would not be counterbalanced by an upsurge in demand from the multiple retailers.

Whatever the view, Raleigh under its new leadership, the issue could be decided by the Monopolies and Mergers Commission, which is to report in October. The company has been a member of the Competition Act. The Office of Fair Trading is expected to launch a six-month investigation because it believed that the company's action in refusing to supply certain retailers was anti-competitive.

A related question is the extent to which Raleigh could or should attempt to compete on price. Mr David Duffield, cycles marketing manager at Halfords which has 350 outlets, maintains that the importers have tapped a new market by cutting costs to the minimum. "In the UK we have probably over-engineered the product and assumed people wanted it to last forever," he says.

The problem for Raleigh, which offers most of its cycles at a recommended retail price of £100 or more, is that the mass market is moving to outlets which can provide bikes at between £60 and £90. In the words of one loyal distributor: "Raleigh has been so big for most of this century that it could dictate to the market. For the first time it has a serious competitor — cheap imports."

TUBE INVESTMENTS: THE BAROMETER STAYS LOW

TUBE INVESTMENTS, Raleigh's parent, is a barometer of the British engineering industry. Its interests range from primary aluminium to domestic appliances, and as much as four-fifths of its assets are concentrated in the UK.

So its current trading performance can give little satisfaction to the more optimistic members of the Government, who argue that the bottom of the recession has already been passed. Sir Brian Kellett, TI's chairman, said this week that there was "no sign of any general improvement in the level of business."

This statement came along with the news that TI had lost £13.7m before tax in the first six months of 1981, com-

pared with a profit of £24.2m in the same period last year. The loss was struck after taking credit for a profit of £8.4m on the sale of the group's former London headquarters, and before allowing for £10.2m of extraordinary costs, mainly related to factory closures.

In less than two years, TI has announced cuts which will reduce its UK workforce by nearly a quarter to around 40,000 people. Of those who remain, some 10,000 are still on short time.

Thanks to this cost-cutting effort and to seasonal factors, Sir Brian is looking for a "materially improved" trading performance in the second half of 1981. But he will not be drawn on whether this means that the group will get

back into the black in the coming months.

The clearest indication of TI's uncertainty is seen in its dividend policy. Last year, the group made an interim payment of 12.5p per share and slashed its final dividend to 2.5p. This year, the interim is also down to 2.5p.

"This dividend decently reflects the way that the business is bumping along the bottom and leaves our options fully open for next March when it comes to deciding on the final," says Sir Brian. The decision then will be taken in the light of how prospects look for 1982.

Meanwhile, TI is likely to suffer a sizeable cash outflow this year. But this is said to be within budget, and the group is confident that its

financial facilities are more than adequate.

TI is doing well in some specialised lines of activity, such as the sale of drill bits to the booming U.S. oil production industry. The strength of the dollar is a help here, as it is in the machine tools business where TI order books have begun to look more healthy in recent weeks.

But it will take a much more widespread improvement in volume to pull the group back to respectable levels of profitability. TI believes that in its slimmer form the group's future profits potential is very great. But it is taking no bets about when that will be turned into reality by a general upswing in activity.

Letters to the Editor

Gas

From the Member for Finance, British Gas Corporation

Sir—In his letter (August 8) about Nationalised Industries charges, with particular reference to British Gas, Commander Burton states that hundreds of millions of pounds of capital expenditure are being charged to revenue as a working expense and that present-day users are being made to pay for benefits that will accrue to future users.

This statement is incorrect. Capital expenditure is clearly defined in our accounts and the amount was £514.5m in 1980-81. This was financed from within the industry.

British Gas has been totally self-financing since 1976-77, and has repaid the debt to Government it incurred during the transformation of the industry to take natural gas from the North Sea. Over the next five years, capital expenditure is planned to amount to nearly £4.5bn at outturn prices. Borrowing such a large sum, at the high interest rates which now prevail, would place an unnecessarily heavy burden on gas customers for many years to come. British Gas intends to remain as far as possible self-financing.

The benefit to current customers of internal financing is reflected in our 1980-81 accounts, which show that the Corporation was a net receiver of interest to the extent of £4.5m. This contrasts with the position five years ago when the Corporation had to pay interest charges of £177m, equivalent to 1.3p per therm sold.

It is also worth pointing out that borrowing by British Gas would add to the public sector borrowing requirement. Commander Burton may be right in saying that public corporations should be allowed to raise capital on the open market, but under the present circumstances his suggestions would burden customers with heavy interest payments and run counter to the Government's

policy to reduce the public sector borrowing requirement.

With regard to the price of gas, it is worth emphasising that over the period 1971-72 to 1980-81 the average price of gas has risen less than the retail price index. Also the typical cost of cooking and heating by gas represents only about 60 per cent of an old age pension or the national average earnings than was the case 10 years ago.

W. G. Jewers, Ricerhill House, 152 Grosvenor Road, SW1.

Reform

From Mr K. Cleary

Sir—Last week in London's Clubland I spied the following notice-board headline: "We are reforming our bridge club. Gambling on Sundays again?" Kenneth P. Cleary, Sunnycroft, Cuckoo Lane, Clifton Hill, Acon.

Dollars

From Mr E. Heath

Sir—With reference to Mr B. Parikh's letter of August 11, I hold a \$ cheque book. I suggest he changes his bank! E. P. Heath, 3, Lombard Street, EC3.

Disclosure

From the Chairman, Business Law Committee, Association of Independent Businesses

Sir—One wonders on what criteria the provision of the Companies Bill to allow reduced disclosure of accounting information by small companies is a retrograde proposal (Mr Pakenham-Walsh, August 7). This association has always opposed the publication of accounts by a small business, because it may enable competitors to deduce information which may be used to the detriment of the company, particularly where a limited range of products or services is involved; it may enable large customers to estimate profit margins and subsequently force the smaller business to trade on their terms; and the company is automatically prejudiced in negotiation with landlords, overseas agents, etc.

Accordingly we welcome the provisions of the Companies Bill; these are, after all, permissive rather than mandatory, and if the additional cost of withholding information from publication is not considered to be in the commercial interests of small companies, the facility may not be widely used.

The view that public disclosure should be regarded as the price of limited liability must be firmly rejected. Limited liability companies were introduced to benefit the national economy by bringing into business savings which might otherwise have gone elsewhere. As this decision was made solely on the grounds of commercial expediency (limited liability cannot be justified morally) decisions on subsidiary matters relating to limited liability companies should be judged on similar grounds and not by a misplaced call to morality such as that of Mr Pakenham-Walsh. Too much emphasis has been given to the views of credit agencies, which have a vested interest in disclosure; evidence of credit worthiness may be obtained direct from the customer with personal guarantees if necessary. The recent Green Paper on a new form of incorporation for small firms makes the case admirably.

Mr Pakenham-Walsh is concerned that these provisions for reduced disclosure "would be extremely discouraging to the accountancy profession." Presumably he considers that a bad effect, but owner-managed companies have found that rising standards have made audits too expensive and inappropriate to their requirements. Mr Posner (July 28) feels that trading will be reduced and delayed if the clauses become law. But, before

1967, small private companies were not required to file and publish their accounts, and it is hard to see that the economy or individual creditors suffered as a result.

The objective must be to ensure that company law does not prejudice the commercial effectiveness of British businesses, and we welcome these clauses as a move in the right direction. L. R. Busby, Association of Independent Businesses, Trowbridge House, 108, Weston Street, SE1.

Zones

From the Chairman and Managing Director, Anglo Storage and Distribution

Sir—We are very interested to see various letters in regard to the special incentives being offered to companies basing themselves in an enterprise zone. There are, however, many existing organisations outside these "zones" which must, in all fairness, qualify for similar treatment. Our operation at Liverpool is a typical example of such a situation not in an enterprise zone area. We are based at Aintree adjacent to six major food companies whom we are able to serve in their requirements. The "zone" area for Liverpool, however, is placed at Speke where there is very little industrial activity.

The logic of the planners' thinking is hard to follow, as at Aintree there is scope for both industrial and warehousing expansion in new buildings awaiting tenants with an ample supply of labour "on tap."

The local authorities are not sensitive to the needs of local industry and it is surely they who gave them tangible help by way of rates reduction similar to that offered to the enterprise zone.

We need positive ideas to help resolve our unemployment problems, and the creation of enterprise zones is definitely a negative idea in my view for the reasons I have stated. I hope, therefore, at this late stage in time, somebody in authority will stop and consider the actual benefits of enterprise zones.

Eric Britt, 308, London Road, Hadleigh, Benfleet, Essex.

number of people actually employed. For some companies, like our own, will be forced to shut down their Liverpool operation due to the unfair trading position—making more people unemployed, just because we are based at Aintree and not Speke.

Why cannot effective consultation be carried out by the Government and local authorities with local industry and commerce in a particular area, such as Liverpool, in an effort to create more jobs in the long term. The effect of enterprise zones may be swift overnight job creation but these extra jobs will soon disappear when the knock-on effect is felt by existing commercial companies and then the result of the operation becomes negative.

Namibia

From Mr J. Ellis

Sir—One might scoff at Professor Hutchinson's proposals (August 3) as a banker after empire were it not that they show a remarkable similarity to some of the wild hopes being nurtured in Windhoek and Pretoria.

Allow me therefore to point out that it is a delusion to hope that President Reagan could usurp the United Nations—which uniquely has legal control over Namibia—and enter into an open military pact with South Africa to try to sustain the economic and political advantages which undoubtedly flow to South Africa.

Attention all UK expatriates

Tax • Investment • Insurance Pensions • Mortgages • Property Are these topics close to your heart?

If so you will need help.

For far too long UK expatriates have been short of information to assist with personal financial planning. But now RESIDENT ABROAD covers all aspects of earning, spending and saving money for British nationals normally resident outside the UK.

In 1981 RESIDENT ABROAD will provide a wealth of information, advice and comment including:

- Offshore Life Assurance—performance of offshore unit-linked policies
- Setting up business in the UK—finance, tax, legal requirements, VAT, etc.
- Investment—stockmarkets, precious metals, Remittance, etc.
- Tax Havens—Guernsey, Jersey, Luxembourg, Isle of Man and Bahamas
- Mortgages for Expats—Survey of types and availability
- Tax and Social Security—Far East, and the European Community
- UK Property—buying, selling, Rent Act, etc.
- General insurance—property, personal effects, baggage, travel, etc.
- UK Income Tax—leaving the UK, whilst abroad, and returning to the UK.

Plus more general topics of interest to the expat.

• Survey of UK private schools— fees, curricula, waiting lists, etc.

• Holidays—UK, around the world and exotic resorts.

• In Home entertainment—video, hi-fi, films, etc.

• Living and Working in—Dubai, Paris, etc.

These together with the regular columns on investments, overseas property, travel notes, expat jobs, offshore funds review, women's pages and statistics will provide the expatriate with the unique and comprehensive resource of information.

RESIDENT ABROAD, published every month, is only available on subscription at £26.50 for one year. Subscribe now to ensure that you receive your own copy of the next issue.

THE FINANCIAL TIMES BUSINESS PUBLISHING LIMITED

Tin Resident Abroad, Marketing Department, Grosvenor Place, Peter Lane, London EC4A 3DF, England.

Please tick appropriate box.

I wish to take out a year's subscription. I enclose RESIDENT ABROAD at:

☐ £22.00 UK ☐ £26.50 USA/Canada/Australia

☐ I enclose my cheque payable to FT Business Publishing (RA).

☐ Credit Card—Tick Choice ☐ American Express ☐ Barclaycard ☐ Visa

Card Number:

BLOCK CAPITALS PLEASE:

NAME/MISS

JOB TITLE

COMPANY

ADDRESS

NATURE OF BUSINESS

SIGNED

Registered Office: Bracken House, Cannon Street, London EC4A 3DF Registered Number: 944096

David Palmer traces the history of spina bifida treatment and examines the issues raised

When a baby is born with spina bifida

THE CASE of the mongol baby in which the Appeal Court overruled the parents' wishes that it should not have a life-saving operation has focused attention on issues whose discussion up to now has been largely confined to the medical world.

Next month, a paediatrician is to stand trial on a charge of murdering a mongol baby. That case can be expected to outline and define in the starkest possible fashion some of these issues.

Spina bifida is a congenital defect of the back, which normally causes damage to the spinal cord. Most children born with this condition also have, or rapidly develop, hydrocephalus (water on the brain). It is one of the commonest deformities with which a baby can be born, and until quite recently, affected one in 500 births in the UK.

Until the mid-1950s, the great majority of children born with this condition died, usually from meningitis, or from the effects of hydrocephalus. In the late 1950s, however, three things combined to change radically this situation.

First, an operation to relieve the effects of hydrocephalus was invented, in which water was drained through a tube from the head to the heart, known as a shunt.

Second, the development of antibiotics and of operative techniques made it easier to keep a newborn baby alive, usually through an operation in the first 24 hours of its life.

Third, with the elimination of such traditional children's diseases as TB and rheumatic fever, the wards of children's hospitals were emptying.

In Sheffield in 1959, a team of paediatricians and surgeons began to operate extensively on spina bifida children at birth. In their first ten years, they

operated on over 1,000 children, on "an immense wave of enthusiasm." By the late 1960s, however, this enthusiasm was beginning to wane.

The surgeons were faced with the consequences of their operative treatment, and reacted in widely different ways. Ironically, it was two members of the Sheffield team who split into increasingly hostile camps on what to do with spina bifida children, with Professor Robert Zachary, arguing that it was his job to keep as many of these children alive as possible, and Professor John Lorber preaching the need to "select" children for treatment at birth, on the basis of an assessment of the quality of life they could expect.

It is the Lorber view which until recently has made most of the "rumouring." Lorber reacted with a growing sense of concern to the quality of the lives of some of the spina bifida children whom he had treated. Today, he uses words like "disaster" and "tragedy" to describe the consequences of what the surgeons achieved.

He talks of the higher incidence of family breakdown in families which have had to cope with bad cases and of young mothers who age rapidly under the impact of trying to cope. There have been some examples, he says, of spina bifida children with severe physical abnormalities but undamaged brains taking their lives as they approach maturity.

Lorber described the worst single case of a child who had survived. He spoke of a child now about 12 years old whose shunt has constantly become infected and been replaced; who has a huge head and is completely blind, who is profoundly retarded, who is totally paralysed from the waist down, and, therefore, doubly incontinent; who is a dwarf with a large spinal deformity; and who is

subject to fits. She is still living at home with her parents, and obviously has had no schooling.

That is the most extreme case of all the survivors. Here are some extracts from the dry language of the paper that Lorber delivered on the problem in 1971, which proved to be the seminal document on the treatment of spina bifida children.

These paragraphs refer to 51 infants born in 1967-68 with what Lorber describes as grade five initial paralysis. It is important to appreciate that these are some of the worst cases. But since it is the worst cases which are nowadays not usually kept alive, it is cases like these which led to the policy of "selection" being adopted. Of these 51 infants:

"There are 26 survivors (51 per cent): 10 are physically extremely handicapped and profoundly retarded; seven are severely handicapped and moderately retarded and nine are severely handicapped but not retarded."

"At least hydrocephalus. The only one without a shunt survived. The 25 children with shunts had 32 revisions by February 1971. The survivors underwent 122 operations of all kinds (average five) by the time they reached an average age of 36 months."

"All 26 surviving children remain fully paralysed and immobile. Eight have gross kyphosis (curvature of the spine) ... most have other multiple bone deformities ... all are incontinent."

Lorber recommended a series of criteria for selection for treatment at birth, criteria which have been widely adopted throughout the western world. In Britain, of the 700 or so live spina bifida births last year, about half had treatment withheld. The decision on whether to operate is taken shortly after

'The court's duty was to decide that the child should be allowed to live. The judge erred because he was influenced by the views of the parents, instead of deciding what was in the best interests of the child.'

LORD TEMPLEMAN'S APPEAL COURT DECISION.
TIMES LAW REPORT, AUGUST 8.

'No prognosis was possible until she was two years old. There was no evidence that her short life was likely to be an intolerable one.'

LORD JUSTICE DUNN, IBID

'Only when the parents could be said to be acting wholly unreasonably would the courts have to adjudicate that the decision should be taken away from them. To do otherwise is to deny any parent the right of privacy over their children.'

JUSTINIAN, FINANCIAL TIMES, AUGUST 10.

birth after discussion between doctor and parents. Lorber rises if possible to involve grandparents.

In recent years, the incidence of spina bifida births has declined somewhat as a growing number of mothers undergo a test known as amniocentesis which can normally detect a spina bifida child in the uterus.

Professor Zachary regards the question of whether a child's life should be preserved as "a stiff and nonsense decision. What is to say whether a child's life is worth saving or not? The crux of the matter is that a decision not to operate on a spina bifida child does not necessarily lead to the child's death."

His approach to a badly deformed newborn infant is to

ask himself the question: "How can I help you?" He urges a "positive approach" to the newborn infant, namely "to reduce the problems to the minimum and in conjunction with the parents to develop the child's capabilities to a maximum."

"I don't think there is any justification directly and on purpose to take the life of an innocent human being ... I think parents' rights are limited, and I think they are limited when it comes to the rights of the child."

Zachary regards with equal distaste the trend towards amniocentesis and abortion foetuses which are shown to have spina bifida. "This test cannot predict with accuracy whether the particular open spina bifida from which the

baby is suffering is to be a serious one."

"I think directly to kill the child, whether it is inside or outside the uterus is wrong ... I think it is the complete disregard for the integrity of the child within the uterus that has spilled over into the post-natal period."

But in pursuing his cause, Zachary raises a different but related issue: once a baby has been selected for non-treatment, a number of other negative decisions are taken about what not to do. It is not given antibiotics, not tube fed, not given oxygen and not resuscitated. It is fed only on demand, and is normally given sedation to avoid pain and discomfort. But it will not, argues Zachary, necessarily die.

At what point does a decision to withhold treatment cross the borderline between allowing to die and actively promoting death?

Zachary argues that this border is being routinely crossed by the administration of high doses of a sedative drug called chloral hydrate, one of whose effects, he says, is to make a child so drowsy that it does not feed and thereby starves to death. "I think there is little doubt that these drugs are being administered or the baby receiving inadequate nutrition to ensure that it will die."

Zachary is a Roman Catholic and a vice-president of Life, the anti-abortion organisation which has recently been urging hospital staff to report actions by doctors which in Life's view are against the law.

It has been clear over the last week that society is profoundly confused by the moral and ethical dilemma posed by the mongol case, a confusion fully reflected in the Appeal Court judgments and in newspaper editorials.

Here I offer some inevitably rather tentative conclusions about where we are and where we need to go having had some limited exposure to the problem in the last few years.

● It is surely right that in a democratic society, the issues surrounding the treatment of severely handicapped children should be fully and openly discussed by the general public. The medical profession enjoys the respect and trust of the public. After the last week, the profession should not expect to keep discussion of these issues within their own largely closed circle.

● The role of parents in a life or death decision in a newborn infant should be central. It is no coincidence that Great Ormond Street, which rightly enjoys a worldwide reputation as a children's hospital, should have refused to treat the Down's syndrome child last week when the parents did not consent. The consequences of a decision to keep a newborn child alive and to raise it will remain with parents for the rest of their lives.

The informal and largely uncharted ground rules that have come to surround these decisions over the last decade have relied on a consensus being reached on what to do between doctors and patients. These parents who share Zachary's views have been able to ask for and to receive treatment for their newborns, where appropriate, however severely handicapped they have been.

● The criteria on which these decisions are taken should be as fully and openly discussed as possible. It was the medical profession which proposed a policy of selection and the criteria on which selection should take place for spina bifida children.

There seems no reason why the profession should not propose criteria for the treatment of babies suffering Down's syndrome, and why it should not address itself to the question of what drugs and in what dosages it is right to administer to a child which has been selected for non-operation.

● The process by which the mongol case reached the Appeal Court and the wording of the decision itself both offer few grounds for believing that the courts are the right place for these key issues to be decided, except in those rare cases where a parent is insisting on applying criteria to the decision which the doctor cannot accept.

In other words, the courts may not have an appropriate role to fulfil beyond that of backstop.

● Whatever happens, we cannot stay as we are. Responsible and deeply committed doctors acting within what they see as the ethics of their profession fear that some of their actions could lead to a charge of murder. The medical profession is not at one within itself, and a section of it is effectively being asked to spy on doctors.

Lorber argues that the great majority of parents of spina bifida children and the bulk of the medical profession support his views. But it is by no means clear that public opinion and that important but intangible factor, public morality, is in harmony with them.

That should surprise nobody. Most members of the public have given only limited thought to the issues, and have had only the remotest contact with the problem.

Now that the issues are out in the open, society is going to have to reach some broadly acceptable consensus. It should surely expect to be led by the medical profession.

Weekend Brief

Diamonds lose some of their polish

"Sorry to have kept you waiting, but I had to deal with a customer," said Mr Mordechai Noam, president of the Israel Diamond Manufacturers' Association, when we went to see him this week. "Today every customer counts, you know," he explained, with a rueful smile.

In these depressed times, for the world's diamond industry, every small customer is a king to be wooed and flattered by the manufacturers and brokers, who in the boom of a few years ago would have delegated all but the most important customers to their assistants.

The value of polished diamonds exported from Israel in the first half of the year was down 20 per cent on the first six months of 1980. So there can be little prospect for early re-employment of the 8,000 polishers who lost their jobs during the recession of the past two years, or for the re-opening of the more than 100 diamond-polishing plants which have closed.

Israel remains one of the world's main diamond centres, both for polishing and trading, but it is having to struggle hard to ride out the recession and fight off the tough competition from the polishing plants of the Soviet Union and India.

Mr Noam believes that the worst is now over for Israel's leading export industry, though he admits that "it is very difficult to judge what will happen in the next few months." The high interest rates in the U.S. and the continuing strength of the dollar are hampering the looked-for upturn in business.

Even when a recovery comes, the outlook is bleak for the diamond-polishers in Israel, many of whom spent years learning their trade, because the future trend is for the intro-

duction of more and more machines which can be operated by young girls after a very short training period.

The impact of the world recession was particularly hard to be felt in Tel Aviv, because speculative overbuying of rough diamonds found many companies with inflated stocks when the crisis struck. It was this which forced some companies into bankruptcy and made others lay off workers. The industry is now hoping that with the number of plants reduced to 700 and manpower down to 2,000, the Israeli operation will be more streamlined and efficient.

The London-based diamond syndicate, or Central Selling Organisation of the Diamond Trading Company, to give it its proper title, has greatly helped Israel this year by agreeing to cut the Israeli quota of rough diamonds by 80 per cent, while the companies reduce their stocks.

This has also helped the manufacturers to reduce their debts to the local banks, which stood at \$1.5bn at the beginning of the year, is now down to \$900m, and, according to Mr Noam, should fall to under \$600m by the end of 1981.

Home computers and 'personal blocks'

"WITHIN five years, not having a computer at home will be something like not having the phone now." So says Bill O'Brien, the 29-year-old self-confessed computer geek who manages a New York shop called Computerland.

Call it salesman's exaggeration if you like, but in the week when IBM has announced its first personal computer, a new wave of excitement has broken over this fledgling industry. "We've had 30 to 60 calls a day about the IBM machine," says O'Brien, who has not yet even received a brochure from the manufacturer. The computer goes on sale in North America in October. Experts predict the number of home computers in the U.S. will increase from well under 1m today to 5m in 1985.

For those of us suffering from

computer block (like Bernard Levin, who once described a semiconductor as an employee of London Transport unwilling to service the front half of the bus) there would seem to be a real risk of being locked out of the electronic cottage.

Jimmy Carter is often pictured worrying his memoirs into a word processor. Roger Smith, chairman of General Motors, says one of his favourite hobbies is playing with an Apple computer and Manhattan is about to get its first apartment block which provides each tenant with a computer terminal as a standard fixture. In California, the summer craze for kids and pushy parents has been not surfing camp or roller skating camp, but computer camp.

Unfortunately, there is no known antidote for computer block, except to read a book or two — there are many — on what personal computers are and then swallow your pride and go into one of the shops where they positively encourage you to play before you buy. It also helps if you know why you want a computer, says O'Brien. His Computerland's worldwide research paints this profile of customers: 95 per cent male, age 28-40, college educated, middle to upper income and nearly always intent upon using the computer with children or to carry out a piece of business at home. About 70 per cent of so-called home computers end up in offices.

Two or three years ago, when personal computer nuts were even more excited and busy than Mr O'Brien this week, there was much talk of the completely automated home. A computer would make the tea, switch on bed lights, answer the phone and generally behave like an electronic Jeeves. When it became apparent otherwise, salesmen touted the virtues of keeping your recipes in a computer memory. Unless you want to pay \$500 for a recipe book, none of this makes much sense.

The chief attraction of a genuine home computer is really just to get to know a computer. It will take hours of conversation and effort before the computer saves you any time or money.

The basic IBM machine (expected to be in Europe by next year) costs \$1,565. For that you get a sleek white key-



About £14m worth of jewellery, part of M. Gerard of Paris' collection on show at Annabel's in Berkeley Square, mostly diamonds. Hugh Routledge

board, which you have to plug into your own TV screen to create a display unit and which you instruct or program by making tapes on a conventional cassette recorder.

The price goes in stages to about \$8,000 as you add a printer, discs to replace the tapes and increase the memory or capacity of the machine. You also have to buy tailor-made software which will enable the machine to do special tasks, like ledger work or word processing, or to play games with you, ranging from chess to space fantasies.

The IBM machine's language is called Basic Simple, which means you can write in English and it will convert to binary maths. Binary maths is a symptom of computer block, except for those aged under 12.

A home computer will, on your behalf, collect information from public data banks by using your telephone — news and stock prices are popular types of information.

There are, of course, many other machines available than IBM's. Apple is the market leader and the IBM offering owes much in concept to Apple. Tandy and Commodore are also widely used machines. Britain's Sinclair makes them. At the cheaper end — in the U.S. you can buy a computer of sorts for \$300 — you can buy something which is really just a shallow-memory toy, ideal for a first romance, but not for a lasting electronic friendship.

Cricket and the politics of race

A major talking point at Old Trafford, admittedly rather *sotto voce*, has been the proposed cricket tour to South Africa this winter. Although the Test and County Cricket Board have issued veiled threats that England players who take part might not be

considered for future Tests these could be very difficult to implement.

Assuming that an as yet unspecified cricket tournament does not harm, or clash with any Tests under jurisdiction of the International Cricket Council, as was the case when Kerry Packer ran World Series Cricket in Australia, one must doubt whether the threats have validity.

England cricketers are of course, not under contract to the TCCB, except when engaged in Tests, while their summer contracts with their counties are essentially short-term engagements.

This must mean that a professional cricketer is perfectly entitled to take part in the South African venture, which will undoubtedly be very lucrative, even if the £6,000 per week per person already mentioned in the Press is on the high side.

With this size of reward available, there must be a number of England players — especially those nearing the end of their international career or hearing that it will never continue, or materialise — must be attracted. South African cricket clearly needs the basic incentive of a visit from high class opposition from overseas, which their domestic Currie Cup, however high the standard, cannot possibly provide.

It therefore seems certain that South Africa will give them this, with the help of sponsors. The ironic feature is that the TCCB, who in principle are only too keen to see extra money going to England cricketers, have had to appear to be horrified, because they must seem to support the anti-apartheid cause.

Did anybody say that sport and politics don't mix?

Contributors:
David Lennon
Ian Hargreaves
Elaine Williams
Trevor Bailey

Economic Diary

MONDAY: Retail sales (July provisional). Dr Gerard Vaughan, Health Minister, begins two-day visit to Liverpool.
TUESDAY: Shipyard workers' delegates meet in Newcastle to vote on industrial action in British Shipbuilders. Preliminary estimate of gross domestic product based on output data (second quarter). Australian Budget.
WEDNESDAY: Organisation of

Petroleum Export Countries (OPEC) emergency session to discuss oil prices and world surplus, Geneva. Mr Ariel Sharon, Israel Defence Minister, begins three-day visit to Egypt. Indices of average earnings (June). Indices of basic rates of wages (July). New construction orders (June). Cyclical indicators for the UK economy (July).
THURSDAY: Polling in Fermanagh and South Tyrone by

election. Northern Ireland. Capital expenditure by the manufacturing, distributive and service industries (second quarter provisional). Manufacturers' and distributors' stocks (second quarter provisional). Minimum Lending Rate ends.

FRIDAY: Retail prices index (July). Tax price index (July). Sales and orders in the engineering industries (May).

Murray Northern Investment Trust Limited

Significant increase in net asset value of shares

Results for the year ended 31st May, 1981

	1981	1980
Equity shareholders' interest	£30,842,601	£21,015,734
Asset value per share	110.2p	75.1p
Revenue available for ordinary shareholders	£511,243	£493,915
Earnings per ordinary share	1.85p	1.79p
Ordinary dividends per share	1.85p	1.75p
Capitalisation issue in B ordinary shares	1.67879%	2.32992%

Geographical distribution of investments at 31st May, 1981

	1981	1980		1981	1980
U.K.	35.0%	40.2%	Europe	3.4%	2.9%
North America	31.2%	36.8%	Brazil	0.7%	0.9%
Japan	16.3%	8.5%	South Africa	—	1.2%
Far East	11.8%	5.8%			
			Bonds	98.4%	96.3%
				1.6%	3.7%
				100.0%	100.0%

Asset performance

The net asset value of the shares increased by 46.8% in the company's year ended 31st May, 1981 which compares with an increase of 29.5% in the F.T. Actuaries All-Share Index.

Future Investment Policy

It is envisaged that in due course the equity portfolios will comprise approximately one-third in the UK, one-third in the US and Japan, and one-third in other areas. It is still our objective to increase the proportion invested in the smaller markets, but only when the timing seems right. We would expect South East Asia to be a major area for increased investment during the current year, while some increase in Europe (particularly in Switzerland and Germany) is likely in order to take advantage of the very low currency levels now prevailing there. Our stake in Japan will probably be maintained or even increased, having regard to the prospects for economic growth in the new technology areas and to the apparent undervaluation of the yen in relation to the dollar.

Copies of the report may be obtained from the Secretary, Murray Northern Investment Trust Limited, 163 Hope Street, Glasgow G2 2UH.
An Investment Trust managed by Murray Johnstone Limited.

 **Murray Johnstone**

Minting in the foreign money

While forecasts of some economists about the timing of the end of the recession may be seen as star gazing, the Royal Mint is making money from astrology.

One of its best selling lines of gold coins is the Lunar series designed for the Hong Kong Government. This is the 12th year in the series with coins depicting the Year of the Cockerel. Chinese astrology is based on a 13-year calendar with each year having its own animal sign.

This year the Royal Mint has recorded its highest profit of £9.4m on sales of £94m, showing itself to be one of the most successful of Britain's nationalised industries.

More than half its sales come from overseas and though much

of its production is geared towards coins for general circulation, the minting of commemorative coins destined for private collections has been growing.

For example, the Mint produced a total of 25,000 gold crowns to commemorate the Queen Mother's 80th birthday for seven countries including Tuvalu in the far Pacific, Gibraltar, Guernsey and Tristan da Cunha.

A boost to home sales came with the production of a UK gold sovereign for the first time in 43 years following the lifting of gold restrictions in 1979. With the production of 10,000 special gold sets, which comprise a sovereign worth £5 on the face and half-sovereign (22), costing a mere £1,100 for the set the Mint found that demand exceeded supply.

This year it is looking forward to producing a set of 2,500 complete sets of silver coins to commemorate the Year of the Disabled. Unicef has asked the Mint to strike them in the local currency denominations of 24 countries which have agreed to participate.

The production of these limited issue coins is in contrast to the 24m commemorative 25p coins made by the Mint for the Royal Wedding and 11m last year for the Queen Mother's birthday.

Last year the Mint employs just under 1,300 at Llantrisant, South Wales, struck a total of 2.68bn coins of which just under half were for overseas Governments.

It has nearly 80 Government customers which range from Jersey to Saudi Arabia, Zimbabwe and St Helena in the South Atlantic.

The Royal Mint faces fierce competition from both private and foreign Government mints. Ironically two of its keenest rivals are the Canadian and Australian Government mints which were once branches of the Royal Mint.

However, the Mint does not rest on its laurels when selling its wares. It is in close contact with overseas Governments suggesting possible designs for gold and silver coins sets and has a list of 250,000 private coin collectors who are informed about new coins, as they are issued.

English Assoc. Grp. leaps ahead to £1.05m

TAXABLE profits of the English Association Group almost doubled from £529,552 to £1,050,000 in the year to June 30 1981. At the half-year stage pre-tax profits had already moved ahead from £128,200 to £258,500.

The final dividend is being increased to 4.75p net (5.125p) as forecast, per 25p share, making a total for the year of 4p (5p). A one-for-one scrip issue is also proposed. Earnings per share are stated at 19.99p (12.88p).

The directors say there has been an encouraging start to the current year and they believe that further progress will be achieved.

Tax took £483,483 (£246,113) and dividends absorbed £205,091 (£54,621) leaving a retained balance of £378,730 (£198,848).

The English Association Group provides services to investors in U.S. and Canadian securities.

comment

Two rights issues in the last year have enabled English Association to increase its capital base from £2m to £10m, gaining freedom to expand its banking activities. A more substantial footing to the balance sheet makes for easier access to the interbank market, and is allowing EAT—the banking subsidiary—to run a larger bank in the market for sterling bills. EAT also has greater freedom in foreign exchange, where the working capital needs now seem less onerous. For the moment, English Association is probably satisfied with equity: it will now have to show that extra value has not made it stagnate.

An historic p/e of 21—on average capital at 41p a share—demonstrates that market expectations are high. So does the 2 per cent yield below the most blue-chipped of accepting houses and less than a third as much as the market expects from the leading discount houses.

Advance to £2.2m by Pifco

WITH SECOND-HALF figures up from £1.35m to £1.51m, pre-tax profits of Pifco Holdings rose to £2.2m for the year to April 30, 1981, against £2.01m previously. The full-time result included investment income £48,000 lower at £31,000.

After tax up from £902,000 to £923,000, attributable profits however, were down to £1,27m, against £1,41m. Stated earnings per 20p share fell from 28.14p to 25.4p, but the dividend is raised to 5.25p (4.5p) net with a final of 5.5p.

The company manufactures personal care products, electrical housewares and battery operated products.

Oxley Printing suspended

printing and platemaking company, requested yesterday that the Stock Exchange suspend its shares ahead of an announcement. At the 14p suspension price the group is worth about £1m.

The members of the board were unavailable for comment on Friday afternoon. Oxley has suffered from a sharp decline in demand and warned this may be "there would be substantial trading losses to bear in the first half of the current year."

For the year ended December 31, 1980 Oxley made a loss of £2.8m as against a pre-tax profit of £274,000 in the comparable period.

Allnatt predicts profits rise

Prospects for new development by Allnatt London Properties are now slender because of the amount of empty property, says Mr Leslie Smith, the chairman.

Despite this the company's income should continue to rise and he predicts that "rents receivable will exceed £9.5m—against £8.44m in the year to March 31 1981 as reported on July 17—and that taxable profits will come out at more than £7.5m—as against £5.75m.

Alpine Holdings dividend challenged

THE PAYMENT of a dividend was challenged yesterday during the annual meeting of Alpine Holdings, the double-plazing group, by Mr Harold Singer, a founder of the group and a former director.

As Mr James Gulliver, the chairman, put the resolution to shareholders for approving the dividend, Mr Singer called for a poll requiring all votes of shareholders, both voting in person or by proxy, to be counted before the resolution could be approved.

Mr Singer, who holds around 5 per cent of Alpine's shares, said that "I do not think it proper in the light of the bad results that the company should pay a dividend but should retain it for perhaps some acquisitions. I would like a vote on this."

Mr Singer was told that the group had received votes from shareholders representing in excess of 2.6m shares in favour of the payment of the dividend. Mr Gulliver asked Mr Singer

Laird calls for £16.6m—profit up

The Laird Group, the engineering company, is asking its shareholders for £16.6m after expenses through a rights issue, in order to provide a sound financial framework for the company and to take advantage of acquisition opportunities.

News of Laird's capital raising venture yesterday had an impact on the group's shares which at the close of trading on the stock market were down 7p at 125p.

Laird also announced its half-yearly results at the same time as the rights issue. For the six months ended June 30, 1981 the group has reported higher pre-tax profits of £7.6m compared with £5.4m in the same period last year.

The interim dividend has been increased from 1.85p net per share to 2p per share.

Laird intends to recommend a total dividend for 1981 of 4p per share net, compared with 3.7p per share.

Laird is offering 15.7m new ordinary shares to shareholders at 10p per share, with shareholders having the right to take one new share for every four they already hold. Gross proceeds of the rights issue will be over £17m.

Announcing the cash raising operation, Laird detailed its

acquisition programme. Its latest acquisition has been completed this week with the purchase of Almac Plastics Inc, a U.S.-based company, for \$25.5m. Almac started in New York in 1944, and currently has 14 branches. It is the third largest plastics distributor in the U.S.

Almac's total sales in the year ended August 31 1980 amounted to \$58m and profits were \$6.1m. Since 1973 Almac has developed a plastics fabrication business in New York and is the leading supplier of acrylic windows for transit buses in the U.S. In addition, the fabrication business manufactures a wide range of products which are sold mainly to the transport industry.

Sales of the fabrication business in the year ended August 31 1980 amounted for \$14.8m of Almac's total sales.

Laird said yesterday that in its current financial year ending this month, Almac's plastics distribution has remained strong, but fabrication has been adversely affected by the lower levels of output seen in the U.S. industry. As a result, Almac's unaudited profits for the first six months of the current financial year show a fall from \$3m to \$2.9m before tax and the results for the year are expected to be

DIVIDENDS ANNOUNCED				
Company	Current payment	Date of payment	Corr. of dividend	Total last year
English Association	4.75p	Nov. 13	3.78	6
Thomas Jourdan	1.75	Sept. 17	1.75	—
Laird Group	2	Dec. 7	1.85	3.7
Neepsend	0.1	—	2.3	0.1
Pifco	5.5p	Oct. 7	3.2	4.5
Reardon Smith	1.75	—	0.1	7.8
Highgate	—	Dec. 1	1.5	0.5
Woodrow Wyatt	nil	—	—	—

Dividends shown pence per share net except where otherwise stated. *Equivalent after allowing for scrip issue. †On capital increased by rights and/or requisition issues.

lower than the 1980 profits of \$6.1m.

The purchase of Almac, said Laird yesterday, means that the acquisition programme to broaden the group's base over the past four years has cost over £40m.

"At the same time a further £33m has been expended in the development and expansion of the manufacturing capacity within the existing group. Moreover during the current financial year, a substantial part of the advance and progress payments received in earlier years in the transport

systems division will be absorbed into work in progress."

In these circumstances, "the board believes that the raising of the additional permanent capital is appropriate."

In the past four years major changes have been taking place in the Laird Group, including the final nationalisation of the group's shipbuilding and aviation interests, the withdrawal from the steel and ship repairing industries, heavy investments in specialist engineering, and finally the build up of a service industries division.

See Lex

Impala lifts final by 10c to 75c

By Kenneth Marston, Mining Editor

SOUTH AFRICA'S Impala Platinum, part of the Generation Platinum Union Corporation group, is raising its final dividend for the year ended June 30 by 10c to 75c (44p). Following the unchanged interim of 35c this makes a total for the year of 110c (50p) compared with 100c (45p) for the previous 12 months.

The company describes the past year as satisfactory, but second-half profits have fallen—as predicted by Impala when it announced a 24 per cent rise in the first half—with the result that the pre-tax profit for the last year is little changed at R206.3m (£121.3m) against R207.6m.

However, the tax charge is reduced on the latest occasion, as a result of the release of UK deferred tax provision, and earnings at the net level come out at R126.7m, or 220 cents per share, compared with R119.2m in 1979-80.

Impala says that industrial demand for platinum has held steady thanks to an increase in the Japanese jewellery industry which has offset weakness in the automobile, electronics and glass sectors.

Investment interest in the metal has declined sharply from the levels seen in the second half of 1980 and significant weakness, particularly in the last six months, is reported in markets for the other platinum group metals.

Last year Impala reckoned that its platinum production rate for 1980-81 might reach 975,000 ounces. But this did not happen because of the business climate, against the economic background, to slow down the rate of mine expansion. The present output rate is 940,000 oz a year.

As far as this year's prospects are concerned, Impala says only that satisfactory results can be maintained if the business climate improves. The shares rose 25p to 430p yesterday.

MARTLET PLANT HIRE ACQUISITION

Stephen Wilson Services, a subsidiary of the Martlet Services Group, has purchased the hire division of Gordon Plant, a subsidiary of Thorn Electrical Industries.

Gordon Plant has a wide range of non-operated plant, for the construction, maintenance and allied industries, in Newcastle-upon-Tyne. Stephen Wilson Services, traded as Stephen Wilson Plant Hire, operates 24 plant hire depots throughout the country.

Together with Mr Philip Case

Results due next week

In the wake of a profits plunge in the first quarter, Royal Dutch/Shell is now expected to make a loss at the net income level when it reports its second quarter figures next Thursday. The loss, a combination of the poor downstream business and general oil market, could range between £80m and £100m. But this will be offset after deducting the FASB debit a function of the U.S. accounting standard which requires Shell to show the effect of currency movements on its balance sheet. The big question next week will be the size of Shell's stock profits, which should have been aided by the position of the dollar. A wide range exists here, but several leading analysts are assuming a stock profit of at least £100m.

Observers of Unilever are looking for a prolongation of the

Gallaher comes back this time with 180p

Gallaher, the Benson and Hedges Silk Cut and Old Horn tobacco group, yesterday again stepped up its offer for Orefex Group, the office suppliers and industrial products group, and continued buying in the market, taking its stake in the company up to over 14 per cent.

Gallaher is now offering 180p per share, valuing Orefex at £55.7m. This compares with its previous offer of 175p and the last rival offer from Denison of 170p per share, which the board had recommended.

The Orefex board said it would "sit and consider" the latest move from Gallaher, which represents the seventh round of a bid battle which started over two weeks ago.

The lower offer from Denison had been promoted by Orefex because of what it described as "significant risks" of action being taken under U.S. anti-trust legislation.

Gallaher's parent American Brands has a subsidiary Swingline which controls about 65 per cent of the American stapler market. Orefex's subsidiary Rexel has a 4 per cent stake of the U.S. market.

Gallaher said yesterday that during the past two weeks there has been a series of friendly and productive discussions between the chairman of Gallaher and the board of Orefex.

Following this Gallaher was left with the clear understanding that the Orefex board would prefer to recommend shareholders to accept Gallaher's higher offer of 175p per share but because of the "greater financial advantage to shareholders and because of the commercial benefits which are foreseen for Orefex when it becomes part of the Gallaher group."

Gallaher says "the sole remaining reason for its current recommendation of the lower offer from Denison" must be the legal advice which they have received relating to the possibility of anti-trust questions being raised in the U.S. market.

As already announced, Gallaher has taken expert advice from leading lawyers in the U.S. and is advised that "the likelihood of its offer being impeded is extremely remote."

Denison yesterday said it is very much hoped to continue to have the recommendation of the Orefex board for its offer. When Denison launched its original bid of 130p per share it purchased a stake of 24.3 per cent (now up to 27.7 per cent) in the market and now 180p shares purchased or committed totalling 43.3 per cent.

Orefex shares gained 5p to 180p yesterday in London.

MAI extends Letraset offer by a fortnight

Mills and Allen International is extending its bid for Letraset by another fortnight having received acceptances representing less than 1 per cent of the independent shareholdings at its first attempt.

MAI continues to offer the same terms: one MAI share for every five Letraset shares, plus a fraction of a short term preference share.

At yesterday's closing price for MAI of 480p, down 7p, the bid was worth 108.6p for every Letraset share. However, Letraset's market price closed at 117p, significantly higher than the bid price as it has been all through the first bid.

MAI owns 9.9 per cent of Letraset, bought during a raid on the shares in early July, and Hambros Bank, which acquired a further 5 per cent in its own right the same day, has now accepted MAI's offer. With 0.9 per cent acceptances from other shareholders, MAI is laying claim to 15.8 per cent of the equity.

The struggle between the two companies has been concentrated so far on the prospects which will

appear when Letraset produces its results for the year to the end of April. These are expected to include some £5m or so of write-offs attributable to the loss-making stamp dealing subsidiary, Stanley Gibbons, and the closure of two toy companies bought within the last three years.

The accounts are promised by the end of the month. In its statement to shareholders yesterday MAI believes that the absence of any figures so far could lead shareholders to conclude that they may not be helpful to Letraset's case.

Letraset, on the other hand, has already stated that its problems have been contained in the year just past and that recovery is now taking place.

MAI's chairman Sir Ian Morrow claims that the time for a rival bidder to emerge has now passed.

Charcon puts in £1.65m bid for Mono Concrete

Charcon Products, a subsidiary of the Charterhouse Group, has offered to buy Mono Concrete and its subsidiaries, the pre-cast concrete manufacturing group, for £1.65m cash.

On August 3 Western announced it had agreed to sell Mono Concrete in Marshall's (Hullifax), the company which made an unsuccessful takeover approach in 1979. The offer was £1.3m in cash and the transaction was subject to shareholders' approval at an EGM on August 19.

Yesterday's offer from Charcon, which initially expressed an interest in purchasing Mono Concrete to the chairman in an unanswered letter sent in June, represents an increase of 27 per cent over Marshall's bid.

Marshall's, which holds 27.1 per cent of Western, will not be taking the shareholders' conditional offer as it is conditional solely on approval being obtained from Western shareholders.

Charcon has indicated to the Western board that it hopes the shareholders meeting can be adjourned in order to give shareholders the opportunity of considering its offer at the higher price.

Mono made a pre-tax loss of £56,000 in 1980 and net assets at December 31, 1980 were £1.65m taking into account the capitalisation of inter-company loans and current accounts totalling £1.1m.

UEH video investment

United Electronic Holdings, electronic equipment distributor, introduced to the Unlisted Securities Market last November, is subscribing for 82.5 per cent of recently-formed Global Video Supplies for £22,500.

The balance of Global's capital will continue to be owned by its management.

The directors of United Electronic believe that this investment will provide the opportunity to participate in the rapid growth in the video film market and will complement the retail video film activities of subsidiary Hi-Fi Care Retail.

Together with Mr Philip Case

BIDS AND DEALS

Gallaher comes back this time with 180p

Gallaher, the Benson and Hedges Silk Cut and Old Horn tobacco group, yesterday again stepped up its offer for Orefex Group, the office suppliers and industrial products group, and continued buying in the market, taking its stake in the company up to over 14 per cent.

Gallaher is now offering 180p per share, valuing Orefex at £55.7m. This compares with its previous offer of 175p and the last rival offer from Denison of 170p per share, which the board had recommended.

The Orefex board said it would "sit and consider" the latest move from Gallaher, which represents the seventh round of a bid battle which started over two weeks ago.

The lower offer from Denison had been promoted by Orefex because of what it described as "significant risks" of action being taken under U.S. anti-trust legislation.

Gallaher's parent American Brands has a subsidiary Swingline which controls about 65 per cent of the American stapler market. Orefex's subsidiary Rexel has a 4 per cent stake of the U.S. market.

Gallaher said yesterday that during the past two weeks there has been a series of friendly and productive discussions between the chairman of Gallaher and the board of Orefex.

Following this Gallaher was left with the clear understanding that the Orefex board would prefer to recommend shareholders to accept Gallaher's higher offer of 175p per share but because of the "greater financial advantage to shareholders and because of the commercial benefits which are foreseen for Orefex when it becomes part of the Gallaher group."

Gallaher says "the sole remaining reason for its current recommendation of the lower offer from Denison" must be the legal advice which they have received relating to the possibility of anti-trust questions being raised in the U.S. market.

As already announced, Gallaher has taken expert advice from leading lawyers in the U.S. and is advised that "the likelihood of its offer being impeded is extremely remote."

Denison yesterday said it is very much hoped to continue to have the recommendation of the Orefex board for its offer. When Denison launched its original bid of 130p per share it purchased a stake of 24.3 per cent (now up to 27.7 per cent) in the market and now 180p shares purchased or committed totalling 43.3 per cent.

Orefex shares gained 5p to 180p yesterday in London.

MAI extends Letraset offer by a fortnight

Mills and Allen International is extending its bid for Letraset by another fortnight having received acceptances representing less than 1 per cent of the independent shareholdings at its first attempt.

MAI continues to offer the same terms: one MAI share for every five Letraset shares, plus a fraction of a short term preference share.

At yesterday's closing price for MAI of 480p, down 7p, the bid was worth 108.6p for every Letraset share. However, Letraset's market price closed at 117p, significantly higher than the bid price as it has been all through the first bid.

MAI owns 9.9 per cent of Letraset, bought during a raid on the shares in early July, and Hambros Bank, which acquired a further 5 per cent in its own right the same day, has now accepted MAI's offer. With 0.9 per cent acceptances from other shareholders, MAI is laying claim to 15.8 per cent of the equity.

The struggle between the two companies has been concentrated so far on the prospects which will

appear when Letraset produces its results for the year to the end of April. These are expected to include some £5m or so of write-offs attributable to the loss-making stamp dealing subsidiary, Stanley Gibbons, and the closure of two toy companies bought within the last three years.

The accounts are promised by the end of the month. In its statement to shareholders yesterday MAI believes that the absence of any figures so far could lead shareholders to conclude that they may not be helpful to Letraset's case.

Letraset, on the other hand, has already stated that its problems have been contained in the year just past and that recovery is now taking place.

MAI's chairman Sir Ian Morrow claims that the time for a rival bidder to emerge has now passed.

Charcon puts in £1.65m bid for Mono Concrete

Charcon Products, a subsidiary of the Charterhouse Group, has offered to buy Mono Concrete and its subsidiaries, the pre-cast concrete manufacturing group, for £1.65m cash.

On August 3 Western announced it had agreed to sell Mono Concrete in Marshall's (Hullifax), the company which made an unsuccessful takeover approach in 1979. The offer was £1.3m in cash and the transaction was subject to shareholders' approval at an EGM on August 19.

Yesterday's offer from Charcon, which initially expressed an interest in purchasing Mono Concrete to the chairman in an unanswered letter sent in June, represents an increase of 27 per cent over Marshall's bid.

Marshall's, which holds 27.1 per cent of Western, will not be taking the shareholders' conditional offer as it is conditional solely on approval being obtained from Western shareholders.

Charcon has indicated to the Western board that it hopes the shareholders meeting can be adjourned in order to give shareholders the opportunity of considering its offer at the higher price.

Mono made a pre-tax loss of £56,000 in 1980 and net assets at December 31, 1980 were £1.65m taking into account the capitalisation of inter-company loans and current accounts totalling £1.1m.

UEH video investment

United Electronic Holdings, electronic equipment distributor, introduced to the Unlisted Securities Market last November, is subscribing for 82.5 per cent of recently-formed Global Video Supplies for £22,500.

The balance of Global's capital will continue to be owned by its management.

The directors of United Electronic believe that this investment will provide the opportunity to participate in the rapid growth in the video film market and will complement the retail video film activities of subsidiary Hi-Fi Care Retail.

Together with Mr Philip Case

Gallaher says "the sole remaining reason for its current recommendation of the lower offer from Denison" must be the legal advice which they have received relating to the possibility of anti-trust questions being raised in the U.S. market.

As already announced, Gallaher has taken expert advice from leading lawyers in the U.S. and is advised that "the likelihood of its offer being impeded is extremely remote."

Denison yesterday said it is very much hoped to continue to have the recommendation of the Orefex board for its offer. When Denison launched its original bid of 130p per share it purchased a stake of 24.3 per cent (now up to 27.7 per cent) in the market and now 180p shares purchased or committed totalling 43.3 per cent.

Orefex shares gained 5p to 180p yesterday in London.

Brookes sells 1.25m Trafalgar House shares

Mr Nigel Brookes, chairman of Trafalgar House, the property to shipping group, which owns Express Newspapers, has sold almost a quarter of his beneficial holding in the shares of the group realising £1.3m.

Mr Brookes has sold 1.25m shares at 104p each, reducing his beneficial holding to 1,046,000 shares. He remains the group's largest shareholder.

Mr Brookes was unavailable for comment yesterday but a Trafalgar House spokesman said that "Mr Brookes is buying an agricultural property in the Home Counties and wanted the money for that purpose."

The shares were sold on the open market on Thursday through L. Messel and Co. the company's stockbroker. There were no major block trades—the shares being underwritten by the market.

The shares were underwritten at 104p in London yesterday.

APE advises acceptance

The board of Amalgamated Power Engineering is now recommending shareholders to accept the bid from Northern Engineering Industries, which now owns 50.4 per cent of the APE ordinary capital.

In a circular, Mr H. A. Whitall, chairman of APE, says NEI has given assurances that it is not intended that APE manufacturing resources and assets be redeployed and further that the rights of the employees (including the pension rights) will be duly safeguarded.

The directors intend to advise in respect of their own beneficial holdings amounting in total to 18,693 APE shares.

SWIRE GOES FOR BLYTH MINORITY

John Swire, the Hong Kong based overseas trading group, is offering 340p cash for the ordinary and preference shares it does not already own in Blyth Greene Jourdain, the UK international trading and manufacturing group.

Blyth Greene Jourdain, a BGC group company, was acquired by Swire in 1962 on the stock market at £13.2m.

Swire, which already owns 33.91 per cent of the total capital of BGC, says that it is discussing with BGC Industries, which has a 20 per cent holding, the possible purchase of this holding at a price not above 340p per share.

The directors and certain other shareholders intend to accept the offer in respect of 6.6 per cent of the shares.

Swire said earlier this year that it was interested in buying out the minority holding in BGC.

H. GOLDMAN

Mr Harvey Ross has increased his holding in H. Goldman Group to 104,016 shares (24.92 per cent).

Other companies reporting next week include: Genetec (interim on Friday), Dale Electric International (preliminary on Thursday) and Dufay-Billemaire (interim on Tuesday).

Next Thursday sees the combined release of nine-month results from the Canadian Insurance

brokers Reed-Stenhouse and the interim dividend decision on its 54 per cent share holder, Stenhouse Holdings. The Reed-Stenhouse companies are in the process of recovering from a major start to the year with equal 1980's £13.3m by the end of the year.

Opinions vary as to the extent of recovery to be expected at the three-quarter mark. The conservative estimate is for profits of £2m before tax (against £10.4m after tax) in the year.

Other companies reporting next week include: Genetec (interim on Friday), Dale Electric International (preliminary on Thursday) and Dufay-Billemaire (interim on Tuesday).

Next Thursday sees the combined release of nine-month results from the Canadian Insurance

Announce- ment		Dividend (p) Last year This year	
due	Int	Final	Int.
Friday	1.25	1.85	
Tuesday		2.0	
Wednesday	0.6	1.21	
Tuesday	1.1		
Monday	0.33333	2.342	
Friday	1.6	2.53	
Wednesday	2.0	3.01	
Thursday			
Thursday	0.175	0.61254	
Tuesday			
Friday	0.2		
Wednesday	9.4	1.1	
Monday	8.25		
Thursday	8.6	10.5	
Thursday	1.82	2.43	
Tuesday	5.34	13.97	
Thursday	0.9	0.5	

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and deals

Dennison Manufacturing raised its offer for Astrex from 180p to 170p per share and again won the approval of the Oxfex board. Dennison claims a total of 44.3 per cent Oxfex shares held or committed, but rival bidder Gallaher increased its stake in Oxfex to over 14 per cent through market purchases and yesterday raised its offer to 180p per share.

Eastern Produce, the tea and rubber group, increased its offer for Unichrome Industries by 4p to 55p per share. The revised 54.2m bid is now being recommended by the latter's directors.

Anglo International Mining Corporation and Bristol Investments, formerly Hall Brothers Steamship, are in merger discussions. Both groups stated that the talks have been prompted by the complementary nature of the companies' business interests.

Tarmac acquired Frank England Holdings and Qualbath, two private gravel and concrete companies in the North of England, in a deal worth £2.5m.

York Trader, the loss-making trailer manufacturer, revealed that the negotiations between the Canadian parent, York Transport, and an unnamed potential purchaser for its 60 per cent stake in the UK company had been terminated, but talks with two other companies are continuing.

The merger between Stoba Holdings and Greenbank Trust is not to proceed; the two companies were unable to satisfy listing requirements of the Stock Exchange.

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid per share**	Bidder
Amal Power	140*	133	109	25.61	Northern Engng.
Cambridge Pot.	350*	340	280	14.00	Lon. Murch. Secs.
Catalytic	70*	70	68†	1.18	Rubertoid

Offers for sale, placings and introductions

Markheath Securities—is coming to the unlisted securities market by way of a placing of 1.8m 54.6 per cent cumulative preferred shares of 35p each at 130p per share.

The Fleet Street Letter—is coming to the unlisted securities market by way of a placing of 600,000 shares at 52p per share.

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ** Based on 14/8/81. †† At suspension.

‡‡ Estimated. §§ Shares and cash. ††† Unconditional.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£'000)	Earnings* per share (p)	Dividends* per share (p)
Abbey Ltd.	Apr.	3,559*	11.5 (15.9)	3.94 (3.94)
Allen (W. G.)	Mar.	145	1.3 (1.3)	0.11 (0.11)
Argyll Foods	Mar.	1,600*	5.37 (8.3)	2.06 (—)
Armitage & Rhds.	Mar.	576	1.5 (2.4)	3.0 (1.0)
Assam Trading	Mar.	163	1.52 (1.5)	1.3 (1.23)
Benn Brothers	June	1,130	7.7 (6.6)	3.5 (2.4)
Brady Industries	Mar.	466	1.53 (1.4)	4.25 (4.25)
Derrington	Dec.	360†	1.17 (1.1)	— (0.57)
Howard Shuttles	Apr.	621	1.5 (1.7)	2.0 (2.0)
Kennedy Smale	Mar.	921	1.45 (1.2)	4.38 (1.6)
Lep Group	Dec.	5,030	6.77 (4.3)	1.85 (3.5)
Malaysia Rubber	Mar.	204	5.8 (5.5)	3.5 (3.5)
Nolton	Apr.	75	0.7 (0.4)	0.8 (3.3)
S.E.E.T.	Apr.	1,420	25.3 (15.5)	3.0 (2.7)
Single Group	Mar.	739	3.0 (2.5)	1.18 (0.52)
Webb (Joseph)	Mar.	290	1.9 (2.2)	0.56 (0.51)

* Figures in parentheses are for corresponding period.

† Figures shown net except where otherwise stated. * Figures for the first nine months. † Figures for 15 months. ‡ In Ir£. L Loss.

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£'000)	Interim dividends* per share (p)
Aaronson Bros.	Mar.	444 (1,430)	0.6 (1.2)
Albright & Wilsn.	June	6,790 (9,029)	— (—)
A-African Fin.	Jan.	31 (12)	— (—)
Auto. Products	June	2,960† (3,720)	1.0 (1.5)
BOC Internat.	June	63,000† (57,700)†	— (—)
British Alum.	June	8,330† (8,299)	— (5.5)
Carrington Vyla	June	3,020† (1,210)†	— (—)
Clarke (T.)	June	275 (277)	0.63 (0.42)
Commerc. Union	June	37,700 (57,600)	4.85 (4.4)
Dares Estates	June	345 (205)	0.5 (0.5)
Davies & Metalfz.	June	519 (92)	0.57 (0.45)
Dreamland Elec.	June	793† (1,011)†	0.35 (0.35)
Genl. Accident	June	51,000 (39,500)	7.5 (6.25)
Habit Precision	Mar.	56† (18)	— (0.55)
Manchester Ship	June	2,700† (356)	— (7.5)
Ocean Transport	June	12,500 (16,700)	4.3 (4.3)
Ratcliffe (Gt.Bdg)	June	415 (65)	0.75 (0.75)
Securitor Group	Mar.	4,120 (3,270)	0.55 (0.5)
Security Services	Mar.	3,450 (2,960)	1.0 (0.81)
Smith & Nephew	June	13,030 (11,050)	1.3 (1.16)
Taylor Woodrow	June	8,360 (8,160)	3.15 (3.15)
Tube Invs.	June	13,700† (24,200)	2.5 (12.5)
T.D.C.	June	7,021 (12,205)	1.35 (1.45)
Ultramar	June	91,900 (80,000)	5.0 (4.0)
Whitingham (W.M)	Apr.	781 (782)	2.25 (2.25)
Woolworth (FW)	July	1,480† (1291)	1.23 (1.23)

Scrip Issues

Howard Shuttles—One for two.

Joseph Webb—One for ten.

Rights Issue

Astra Industrial Group—is raising £2m by way of a one for one rights issue at 10p per share.

EUROPEAN OPTIONS EXCHANGE									
Series	Vol.	Aug.	Last	Vol.	Nov.	Last	Vol.	Feb.	Stock
GOLD C	\$400	12	18	1	43				\$414.75
GOLD G	\$485	15	2.50						"
GOLD O	\$450						1		"
GOLD C	\$475		0.10	5	8		38 B		"
GOLD C	\$585			2	3				"
GOLD C	\$550			2	3				"
GOLD P	\$400	7	3	10	13				"
GOLD P	\$425			1	21				"
GOLD P	\$450			5	75 B		8	57	"
GOLD P	\$475	6	60 A						"
Oct.									
ABN C	F.280	5	\$7.50						F.308
ABN C	F.300	37	15						"
ABN C	F.320	40	6.50						"
AKZO C	F.37.50	91	1.50	10	3.60		25	3.60	F.38.50
AKZO P	F.20	10	0.20						"
AKZO P	F.22.50	10	0.30						"
AKZO P	F.25			6	1				"
AMRO C	F.68	25	3						F.64.80
F. HEIN C	F.7.45	3	4.10						F.7.50
HOOG C	F.17.50	5	2.50	22	2		52	2.70	F.16.50
HOOG C	F.20	45	1.20						"
HOOG C	F.22.50			30	1.10				"
HOOG P	F.17.50						6	1.10	"
Jan.									
KLM C	F.90	18	\$7.10						F.113.50
KLM C	F.100	25	18.50 B						"
KLM C	F.110	35	12.50						"
KLM C	F.120	131	9						"
KLM C	F.130	194	5.70 B						"
KLM C	F.140	173	3.40	28	5.60				"
KLM C	F.150	56	1.80 A	11	4				"
KLM P	F.80	38	1.50						"
KLM P	F.90	96	1.50						"
KLM P	F.100	57	3.30						"
KLM P	F.110	65	6.80						"
KLM P	F.120	11	1.1						"
NEDL C	F.140	13	19 B						F.155.50
NEDL C	F.150	18	12.50	15	11.10				"
NEDL C	F.160	7							"
NEDL P	F.160	20							"
April									
NATN C	F.115			8	8 A				F.117.70
NATN C	F.120	25	3.50	9	5.40 A				"
NATN C	F.125			10					"
NATN P	F.110	25	0.80						"
NATN P	F.115	10	1.20						"
NATN P	F.120	10	7.50						"
PHIL C	F.80	33	5	41	6				F.84
PHIL C	F.82.50	25	9.20						"
PHIL C	F.85			161	8.40		19	3.40	"
PHIL C	F.87.50	15	0.50	35	1.40				"
PHIL P	F.80	10	0.40	10	1				"
PHIL P	F.82.50	10	0.40	25	2 B				"
PHIL P	F.85								"
RD P	F.80	29	19.40 A						F.98.20
RD C	F.80	28	10.70 B	63	15				"
RD C	F.82.50	13	1.30	107	6		57	7.50	"
RD C	F.110	124	1.10						"
TOTAL VOLUME IN CONTRACTS 3074									
A=Asked B=Bid C=Call P=Put									

Companies and Markets

WORLD STOCK MARKETS

NEW YORK

Stock

Aug. 12

Aug. 13

Aug. 14

Aug. 15

Aug. 16

Aug. 17

Aug. 18

Aug. 19

Aug. 20

Aug. 21

Aug. 22

Aug. 23

Aug. 24

Aug. 25

Aug. 26

Aug. 27

Aug. 28

Aug. 29

Aug. 30

Aug. 31

Aug. 32

Aug. 33

Aug. 34

Aug. 35

Aug. 36

Aug. 37

Aug. 38

Aug. 39

Aug. 40

Aug. 41

Aug. 42

Aug. 43

Aug. 44

Aug. 45

Aug. 46

Aug. 47

Aug. 48

Aug. 49

Aug. 50

Aug. 51

Aug. 52

Aug. 53

Aug. 54

Aug. 55

Aug. 56

Aug. 57

Aug. 58

Aug. 59

Aug. 60

Aug. 61

Aug. 62

Aug. 63

Aug. 64

Aug. 65

Aug. 66

Aug. 67

Aug. 68

Aug. 69

Aug. 70

Aug. 71

Aug. 72

Aug. 73

Aug. 74

Aug. 75

Aug. 76

Aug. 77

Aug. 78

Aug. 79

Aug. 80

Aug. 81

Aug. 82

Aug. 83

Aug. 84

Aug. 85

Aug. 86

Aug. 87

Aug. 88

Aug. 89

Aug. 90

Aug. 91

Aug. 92

Aug. 93

Aug. 94

Aug. 95

Aug. 96

Aug. 97

Aug. 98

Aug. 99

Aug. 100

Aug. 101

Aug. 102

Aug. 103

Aug. 104

Aug. 105

NEW YORK

Stock

Aug. 12

Aug. 13

Aug. 14

Aug. 15

Aug. 16

Aug. 17

Aug. 18

Aug. 19

Aug. 20

Aug. 21

Aug. 22

Aug. 23

Aug. 24

Aug. 25

Aug. 26

Aug. 27

Aug. 28

Aug. 29

Aug. 30

Aug. 31

Aug. 32

Aug. 33

Aug. 34

Aug. 35

Aug. 36

Aug. 37

Aug. 38

Aug. 39

Aug. 40

Aug. 41

Aug. 42

Aug. 43

Aug. 44

Aug. 45

Aug. 46

Aug. 47

Aug. 48

Aug. 49

Aug. 50

Aug. 51

Aug. 52

Aug. 53

Aug. 54

Aug. 55

Aug. 56

Aug. 57

Aug. 58

Aug. 59

Aug. 60

Aug. 61

Aug. 62

Aug. 63

Aug. 64

Aug. 65

Aug. 66

Aug. 67

Aug. 68

Aug. 69

Aug. 70

Aug. 71

Aug. 72

Aug. 73

Aug. 74

Aug. 75

Aug. 76

Aug. 77

Aug. 78

Aug. 79

Aug. 80

Aug. 81

Aug. 82

Aug. 83

Aug. 84

Aug. 85

Aug. 86

Aug. 87

Aug. 88

Aug. 89

Aug. 90

Aug. 91

Aug. 92

Aug. 93

Aug. 94

Aug. 95

Aug. 96

Aug. 97

Aug. 98

Aug. 99

Aug. 100

Aug. 101

Aug. 102

Aug. 103

Aug. 104

Aug. 105

NEW YORK

Stock

Aug. 12

Aug. 13

Aug. 14

Aug. 15

Aug. 16

Aug. 17

Aug. 18

Aug. 19

Aug. 20

Aug. 21

Aug. 22

Aug. 23

Aug. 24

Aug. 25

Aug. 26

Aug. 27

Aug. 28

Aug. 29

Aug. 30

Aug. 31

Aug. 32

Aug. 33

Aug. 34

Aug. 35

Aug. 36

Aug. 37

Aug. 38

Aug. 39

Aug. 40

Aug. 41

Aug. 42

Aug. 43

Aug. 44

Aug. 45

Aug. 46

Aug. 47

Aug. 48

Aug. 49

Aug. 50

Aug. 51

Aug. 52

Aug. 53

Aug. 54

Aug. 55

Aug. 56

Aug. 57

Aug. 58

Aug. 59

Aug. 60

Aug. 61

Aug. 62

Aug. 63

Aug. 64

Aug. 65

Aug. 66

Aug. 67

Aug. 68

Aug. 69

Aug. 70

Aug. 71

Aug. 72

Aug. 73

Aug. 74

Aug. 75

Aug. 76

Aug. 77

Aug. 78

Aug. 79

Aug. 80

Aug. 81

Aug. 82

Aug. 83

Aug. 84

Aug. 85

Aug. 86

Aug. 87

Aug. 88

Aug. 89

Aug. 90

Aug. 91

Aug. 92

Aug. 93

Aug. 94

Aug. 95

Aug. 96

Aug. 97

Aug. 98

Aug. 99

Aug. 100

Aug. 101

Aug. 102

Aug. 103

Aug. 104

Aug. 105

NEW YORK

Stock

Aug. 12

Aug. 13

Aug. 14

Aug. 15

Aug. 16

Aug. 17

Aug. 18

Aug. 19

Aug. 20

Aug. 21

Aug. 22

Aug. 23

Aug. 24

Aug. 25

Aug. 26

Aug. 27

Aug. 28

Aug. 29

Aug. 30

Aug. 31

Aug. 32

Aug. 33

Aug. 34

Aug. 35

Aug. 36

Aug. 37

Aug. 38

Aug. 39

Aug. 40

Aug. 41

Aug. 42

Aug. 43

Aug. 44

Aug. 45

Aug. 46

Aug. 47

Aug. 48

Aug. 49

Aug. 50

Aug. 51

Aug. 52

Aug. 53

Aug. 54

Aug. 55

Aug. 56

Aug. 57

Aug. 58

Aug. 59

Aug. 60

Aug. 61

Aug. 62

Aug. 63

Aug. 64

Aug. 65

Aug. 66

Aug. 67

Aug. 68

Aug. 69

Aug. 70

Aug. 71

Aug. 72

Aug. 73

Aug. 74

Aug. 75

Protea boosts pre-tax earnings

By Jim Jones in Johannesburg

PROTEA HOLDINGS, the South African industrial holding company with interests in chemicals, electrical products, engineering, medical equipment and protective clothing, increased pre-tax earnings by 30 per cent to R26.5m (\$38m) in the year ended June 30. Trading profit a year earlier was R28.3m.

Turnover rose to R341m from R277m.

Mr Aidan Beard, managing director, says that the earnings improvement was due mainly to the continued high level of economic activity in South Africa. Earnings are expected to increase again during the current year, but he warns that the rate of increase will almost certainly be lower than in the last two years.

A total dividend of 20 cents a share has been declared.

Bank Leumi to increase capital

By Our Financial Staff

BANK LEUMI, the Israeli bank, plans to raise the equivalent of \$48m through an issue of new equity, its second issue of this type since January.

The funding represents the largest new issue yet seen on the Tel Aviv stock exchange, and will take the form of a package including convertible notes and options.

The notes in the package will carry 2 per cent interest, with both the capital and interest linked 90 per cent to Israel's consumer price index. They will mature from 1987, but holders may ask for earlier conversion into Bank Leumi shares.

The First Viking Commodity Trusts

Commodity OFFER 28.4 BID 27.1

Commodity & General Management Co Ltd
10-12 St George's Street
Douglas Isle of Man
Tel: 0624 25815

ABN and Amro lift profit despite debt provisions

By Charles Batchelor in Amsterdam

TWO MAJOR Dutch banks, ABN and Amro, reported increased first-half profits despite heavy provisions for bad debts.

For the six months ended June, ABN increased net profits by 25 per cent to Fl 196.3m (\$70m) with per share earnings rising by 11 per cent. The interim dividend is going up to Fl 13 a share from Fl 12.50.

At Amro half-yearly earnings grew less rapidly, improving by 8 per cent to Fl 154m and by just 3 per cent in per share terms. Amro shareholders are to receive an unchanged Fl 2.50 a share interim dividend.

ABN's balance sheet total

increased by 13 per cent to Fl 122.8bn. The bank paid Fl 150m into its provision for general risks compared with Fl 90m in the first half of 1980. It also paid Fl 155.7m in tax, against Fl 125.8m.

Net profits of Bank Nieuw Hope, ABN's merchant banking subsidiary, whose results are fully consolidated, rose 3 per cent to Fl 16.8m.

ABN is confident that profits for 1981 as a whole can exceed those of 1980, despite difficulties in maintaining interest rates in maintaining domestic and foreign business and the need to maintain bad debt provisions at a high level.

In 1980 net profit rose 13 per

cent to Fl 308m on a balance sheet which expanded by 25 per cent to Fl 108.7bn.

AMRO's balance sheet expanded by 8 per cent to 102bn from December's level. Gross profits increased by 11 per cent, while costs rose only 10 per cent. It increased its provision for general risks by Fl 102m from December's level, to Fl 162m.

Amro's Eurocurrency business increased in importance during the six months partly because foreign business was sluggish and partly due to the strength of the dollar. Domestic lending increased less markedly.

Ngan family close to control of China Bus

By Kevin Rafferty in Hong Kong

THE NGAN family, the founders and major directors of the China Motor Bus, yesterday moved to within a whisker of victory in their bid to keep control of the company.

After a short trading session on the Hong Kong stock exchanges, the Ngans and their associates announced that they had picked up 1.7m shares, leaving them just 2 per cent (800,000 shares) short of a majority stake in CMB.

Last night, Snowpark Investments, of which the Ngans own 80 per cent, raised its cash offer for CMB to HK\$11 (US\$5.50) a share, which is the highest price it has paid for shares bought in the market and one which matches the offer from rival bidder, Allstate, agreed by Allstate Investments.

Snowpark has agreed to 1m shares in CMB and the Ngan family and its associates a further 700,000 shares, in the market deal. In addition, it has received 102,578 shares from the company.

The company has made investment commitments of Fl 120m, twice the level of a year ago, though only part of this will be spent this year. Fokker received new orders for eight F-27 airliners in the first half, five fewer than in 1980 and for 11 F-28s, two fewer than 1980.

The fierce rivalry between the two bidders was intensified when it was realised that the terms of the Snowpark offer allowed it to count any market purchases were to its rank as additional to the offer.

After five days of intense argument, Snowpark on Thursday agreed to accept at least 1.6m shares, tendered under its offer as "a measure of protection" to minority shareholders.

CMB runs a monopoly bus services on Hong Kong Island. The battle for its control has been bitter, not only because of family pride but because CMB has considerable property development potential.

New York newspaper victory for Murdoch

By David Lascelles in New York

MR RUPERT MURDOCH, the Australian newspaper magnate, yesterday won a New York newspaper war when his only rival, the Daily News, launched "Tonight" last August 19 to challenge the monopoly enjoyed by Mr Murdoch's New York Post.

The announcement came only the week after the closure of the Washington Star, the only evening newspaper in the capital.

The Daily News, which is owned by the Hearst family, failed to carry enough news and concentrated too heavily on features. In recent weeks "Tonight" had tried to correct that imbalance.

There was considerable speculation yesterday that Mr Murdoch would not increase his 25 per cent stake in the Post and strengthen its position. But a spokesman for the company said: "No changes are being considered right now."

The Post is still losing money, however, at a rate which analysts say will total \$10m this year.

Steinberg improves offer

By Our New York Correspondent

MR SAUL STEINBERG, chairman of the Reliance Group, whose family interests are trying to buy out the company and its affiliate, Leasco, have raised their bid for Reliance from \$100 a share to \$104 following a business report by Bear Stearns.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

The bid for Reliance, which is a holding company for a number of companies, including the Leasco Group, was first announced in May.

Gotaas Larsen back in the black

By William Hall

GOTTAAS LARSEN, the Norwegian shipping group, made a profit of \$24.6m in the second quarter of 1981, compared with a pre-tax loss of \$4.1m in the comparable period of last year. The latest performance is attributed to an \$18.5m profit on the sale of the Norway, an offshore drilling rig.

The group's pre-interest operating profit rose from \$4.7m in the second quarter of 1980 to \$13.1m in the latest period. The improvement was due in large part to the contribution from the sale of the rig.

Frederic, which was sold on a 10-year charter to the U.S. Navy, was sold for \$18.5m. The group's chief executive, said that the company's overall results for the year would be influenced by two major events—the sale of the Norway and the acceptance of the \$18.5m profit on the sale of the rig.

The delivery of the new ship, the Gotaas Spirit, will provide important cash savings to the group in terms of capital cost and financing terms. However, the group's expenses and depreciation will be substantial during the fourth quarter.

In the first half of 1981 the group made a net profit after interest of \$28.5m, compared with a loss of \$8.5m in the comparable period of last year.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

The group's operating profit of \$28.5m, including four L.N. carriers.

Fokker raises first-half operating income by 46%

By Our Amsterdam Correspondent

FOKKER, the Dutch aircraft maker, reported sharply higher operating profits for the first half of 1981 on slightly increased turnover.

Operating profit rose 46 per cent to Fl 11.4m (\$4m) on sales which were 9 per cent up to Fl 504m (\$181m). Much of the improvement at the operating level was due to a cut in the net interest charge to Fl 616,000 from Fl 3.7m.

Net profit rose 21 per cent to Fl 5.8m after a tax charge of Fl 5.8m compared with only Fl 3m last time.

Fokker said it expects sales to continue to increase in the second half while profit for the year will be at least the same as in 1980. Last year it made a net profit of Fl 8.8m on turnover of Fl 1.13bn.

The company has made investment commitments of Fl 120m, twice the level of a year ago, though only part of this will be spent this year.

Fokker received new orders for eight F-27 airliners in the first half, five fewer than in 1980 and for 11 F-28s, two fewer than 1980.

Fokker's Eurocurrency business increased in importance during the six months partly because foreign business was sluggish and partly due to the strength of the dollar. Domestic lending increased less markedly.

Fokker's Eurocurrency business increased in importance during the six months partly because foreign business was sluggish and partly due to the strength of the dollar. Domestic lending increased less markedly.

Fokker's Eurocurrency business increased in importance during the six months partly because foreign business was sluggish and partly due to the strength of the dollar. Domestic lending increased less markedly.

Fokker's Eurocurrency business increased in importance during the six months partly because foreign business was sluggish and partly due to the strength of the dollar. Domestic lending increased less markedly.

Fokker's Eurocurrency business increased in importance during the six months partly because foreign business was sluggish and partly due to the strength of the dollar. Domestic lending increased less markedly.

Fokker's Eurocurrency business increased in importance during the six months partly because foreign business was sluggish and partly due to the strength of the dollar. Domestic lending increased less markedly.

Fokker's Eurocurrency business increased in importance during the six months partly because foreign business was sluggish and partly due to the strength of the dollar. Domestic lending increased less markedly.

Fokker's Eurocurrency business increased in importance during the six months partly because foreign business was sluggish and partly due to the strength of the dollar. Domestic lending increased less markedly.

Fokker's Eurocurrency business increased in importance during the six months partly because foreign business was sluggish and partly due to the strength of the dollar. Domestic lending increased less markedly.

Fokker's Eurocurrency business increased in importance during the six months partly because foreign business was sluggish and partly due to the strength of the dollar. Domestic lending increased less markedly.

Fokker's Eurocurrency business increased in importance during the six months partly because foreign business was sluggish and partly due to the strength of the dollar. Domestic lending increased less markedly.

Fokker's Eurocurrency business increased in importance during the six months partly because foreign business was sluggish and partly due to the strength of the dollar. Domestic lending increased less markedly.

Fokker's Eurocurrency business increased in importance during the six months partly because foreign business was sluggish and partly due to the strength of the dollar. Domestic lending increased less markedly.

Fokker's Eurocurrency business increased in importance during the six months partly because foreign business was sluggish and partly due to the strength of the dollar. Domestic lending increased less markedly.

Fokker's Eurocurrency business increased in importance during the six months partly because foreign business was sluggish and partly due to the strength of the dollar. Domestic lending increased less markedly.

Fokker's Eurocurrency business increased in importance during the six months partly because foreign business was sluggish and partly due to the strength of the dollar. Domestic lending increased less markedly.

Fokker's Eurocurrency business increased in importance during the six months partly because foreign business was sluggish and partly due to the strength of the dollar. Domestic lending increased less markedly.

Pepsi Cola increases its South African investment

By Bernard Simon in Johannesburg

PEPSI COLA, the U.S.-based soft drinks manufacturer, has invested \$8.5m (\$10m) to expand its South African operations, the company's local subsidiary said. This is one of the largest disclosed investments by a foreign company in South Africa for some time.

The funds are being used to raise Pepsi Cola Africa's capital from \$200,000 to \$10m. The company recently launched a major expansion programme, doubling the size of its Cape Town bottling plant. It owns a second plant in Bloemfontein, and has franchise agreements with nine other bottlers.

Pepsi Cola's share of the South African cola market is around 20 per cent, well below Coca Cola's 80 per cent.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

Pepsi Cola's new investment was channelled through the Financial Rand, South Africa's investment currency, which normally trades at a substantial discount to the commercial exchange rate.

MARKET REPORTS

BASE METALS

BASE METAL prices remained generally volatile, with Copper reaching \$1.05 before settling at \$1.04. Lead touched \$1.70 before settling at \$1.68. Zinc touched \$1.70 before settling at \$1.68. Tin touched \$1.70 before settling at \$1.68. Nickel touched \$1.70 before settling at \$1.68. Cobalt touched \$1.70 before settling at \$1.68. Manganese touched \$1.70 before settling at \$1.68. Iron touched \$1.70 before settling at \$1.68. Steel touched \$1.70 before settling at \$1.68. Aluminum touched \$1.70 before settling at \$1.68. Magnesium touched \$1.70 before settling at \$1.68. Titanium touched \$1.70 before settling at \$1.68. Zirconium touched \$1.70 before settling at \$1.68. Niobium touched \$1.70 before settling at \$1.68. Molybdenum touched \$1.70 before settling at \$1.68. Vanadium touched \$1.70 before settling at \$1.68. Chromium touched \$1.70 before settling at \$1.68. Manganese touched \$1.70 before settling at \$1.68. Iron touched \$1.70 before settling at \$1.68. Steel touched \$1.70 before settling at \$1.68. Aluminum touched \$1.70 before settling at \$1.68. Magnesium touched \$1.70 before settling at \$1.68. Titanium touched \$1.70 before settling at \$1.68. Zirconium touched \$1.70 before settling at \$1.68. Niobium touched \$1.70 before settling at \$1.68. Molybdenum touched \$1.70 before settling at \$1.68. Vanadium touched \$1.70 before settling at \$1.68. Chromium touched \$1.70 before settling at \$1.68. Manganese touched \$1.70 before settling at \$1.68. Iron touched \$1.70 before settling at \$1.68. Steel touched \$1.70 before settling at \$1.68. Aluminum touched \$1.70 before settling at \$1.68. Magnesium touched \$1.70 before settling at \$1.68. Titanium touched \$1.70 before settling at \$1.68. Zirconium touched \$1.70 before settling at \$1.68. Niobium touched \$1.70 before settling at \$1.68. Molybdenum touched \$1.70 before settling at \$1.68. Vanadium touched \$1.70 before settling at \$1.68. Chromium touched \$1.70 before settling at \$1.68. Manganese touched \$1.70 before settling at \$1.68. Iron touched \$1.70 before settling at \$1.68. Steel touched \$1.70 before settling at \$1.68. Aluminum touched \$1.70 before settling at \$1.68. Magnesium touched \$1.70 before settling at \$1.68. Titanium touched \$1.70 before settling at \$1.68. Zirconium touched \$1.70 before settling at \$1.68. Niobium touched \$1.70 before settling at \$1.68. Molybdenum touched \$1.70 before settling at \$1.68. Vanadium touched \$1.70 before settling at \$1.68. Chromium touched \$1.70 before settling at \$1.68. Manganese touched \$1.70 before settling at \$1.68. Iron touched \$1.70 before settling at \$1.68. Steel touched \$1.70 before settling at \$1.68. Aluminum touched \$1.70 before settling at \$1.68. Magnesium touched \$1.70 before settling at \$1.68. Titanium touched \$1.70 before settling at \$1.68. Zirconium touched \$1.70 before settling at \$1.68. Niobium touched \$1.70 before settling at \$1.68. Molybdenum touched \$1.70 before settling at \$1.68. Vanadium touched \$1.70 before settling at \$1.68. Chromium touched \$1.70 before settling at \$1.68. Manganese touched \$1.70 before settling at \$1.68. Iron touched \$1.70 before settling at \$1.68. Steel touched \$1.70 before settling at \$1.68. Aluminum touched \$1.70 before settling at \$1.68. Magnesium touched \$1.70 before settling at \$1.68. Titanium touched \$1.70 before settling at \$1.68. Zirconium touched \$1.70 before settling at \$1.68. Niobium touched \$1.70 before settling at \$1.68. Molybdenum touched \$1.70 before settling at \$1.68. Vanadium touched \$1.70 before settling at \$1.68. Chromium touched \$1.70 before settling at \$1.68. Manganese touched \$1.70 before settling at \$1.68. Iron touched \$1.70 before settling at \$1.68. Steel touched \$1.70 before settling at \$1.68. Aluminum touched \$1.70 before settling at \$1.68. Magnesium touched \$1.70 before settling at \$1.68. Titanium touched \$1.70 before settling at \$1.68. Zirconium touched \$1.70 before settling at \$1.68. Niobium touched \$1.70 before settling at \$1.68. Molybdenum touched \$1.70 before settling at \$1.68. Vanadium touched \$1.70 before settling at \$1.68. Chromium touched \$1.70 before settling at \$1.68. Manganese touched \$1.70 before settling at \$1.68. Iron touched \$1.70 before settling at \$1.68. Steel touched \$1.70 before settling at \$1.68. Aluminum touched \$1.70 before settling at \$1.68. Magnesium touched \$1.70 before settling at \$1.68. Titanium touched \$1.70 before settling at \$1.68. Zirconium touched \$1.70 before settling at \$1.68. Niobium touched \$1.70 before settling at \$1.68. Molybdenum touched \$1.70 before settling at \$1.68. Vanadium touched \$1.70 before settling at \$1.68. Chromium touched \$1.70 before settling at \$1.68. Manganese touched \$1.70 before settling at \$1.68. Iron touched \$1.70 before settling at \$1.68. Steel touched \$1.70 before settling at \$1.68. Aluminum touched \$1.70 before settling at \$1.68. Magnesium touched \$1.70 before settling at \$1.68. Titanium touched \$1.70 before settling at \$1.68. Zirconium touched \$1.70 before settling at \$1.68. Niobium touched \$1.70 before settling at \$1.68. Molybdenum touched \$1.70 before settling at \$1.68. Vanadium touched \$1.70 before settling at \$1.68. Chromium touched \$1.70 before settling at \$1.68. Manganese touched \$1.70 before settling at \$1.68. Iron touched \$1.70 before settling at \$1.68. Steel touched \$1.70 before settling at \$1.68. Aluminum touched \$1.70 before settling at \$1.68. Magnesium touched \$1.70 before settling at \$1.68. Titanium touched \$1.70 before settling at \$1.68. Zirconium touched \$1.70 before settling at \$1.68. Niobium touched \$1.70 before settling at \$1.68. Molybdenum touched \$1.70 before settling at \$1.68. Vanadium touched \$1.70 before settling at \$1.68. Chromium touched \$1.70 before settling at \$1.68. Manganese touched \$1.70 before settling at \$1.68. Iron touched \$1.70 before settling at \$1.68. Steel touched \$1.70 before settling at \$1.68. Aluminum touched \$1.70 before settling at \$1.68. Magnesium touched \$1.70 before settling at \$1.68. Titanium touched \$1.70 before settling at \$1.68. Zirconium touched \$1.70 before settling at \$1.68. Niobium touched \$1.70 before settling at \$1.68. Molybdenum touched \$1.70 before settling at \$1.68. Vanadium touched \$1.70 before settling at \$1.68. Chromium touched \$1.70 before settling at \$1.68. Manganese touched \$1.70 before settling at \$1.68. Iron touched \$1.70 before settling at \$1.68. Steel touched \$1.70 before settling at \$1.68. Aluminum touched \$1.70 before settling at \$1.68. Magnesium touched \$1.70 before settling at \$1.68. Titanium touched \$1.70 before settling at \$1.68. Zirconium touched \$1.70 before settling at \$1.68. Niobium touched \$1.70 before settling at \$1.68. Moly

19

[illegible]

5,039	2,126	2,799	1260.	1,226	31.39
2,390	0,865	1,102	498.7	0,485	16.73
25.86	0.350	11.09	5396	6.251	17.82

10, 2,763	3,619 1.	4,655 1,261	2,066, 576.4	2,031 0.561	68.53 18.94
2,157 4,795	0.781 1.735	1 2,222	450.1 1000.	0.438 0.973	14.78 35.88
4,924 14.59	1.732 5.221	2.285 6.764	1027, 3044.	1. 2.975	52.72 100

Swiss Franc	West German Mark	French Franc	Italian Lira	Belgian Franc Convertible	Japanese Yen
3.36	113.113	20.50	19.36	15.231	61.71

[illegible]

Companies and Markets

LONDON STOCK EXCHANGE

Equity boom resumes and FT-A indices hit new peaks as institutional demand accentuates stock shortage

Account Dealing Dates
Option
First Declared Last Account
Dealing: (Tons Dealing) Day
July 27 Aug 6 Aug 7 Aug 17
Aug 20 Aug 26 Aug 27 Sept 7
Aug 28 Sept 10 Sept 11 Sept 21
"Normal" dealings may take
place from 9.30 am two business days
earlier.

The re-appearance of institutional funds for top-quality industrial shares sent London equity values surging forward again yesterday after Thursday's brief respite. Demand was highly selective and noticeably less than earlier in the week, but it soon exerted fresh pressure on short positions. Selected Electricals shot higher than the opening and most other leaders followed. A host of secondary stocks joined in and took the FT-Actuaries three main indices to record levels; the All-Share closed at 338.45, up 5 per cent on the week.

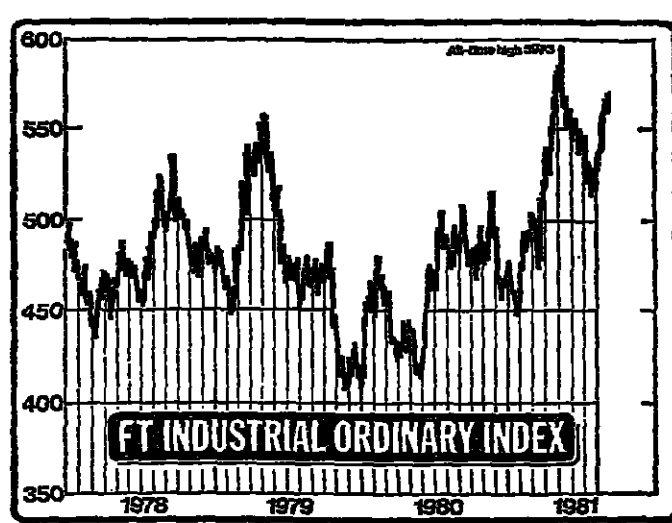
Interest from private investment clients, which has improved significantly of late, was maintained despite the none-too-encouraging OECD report on UK economic prospects. Disappointment that U.S. interest lending rates failed to follow the downward turn in other interest rates there did not show through and most sectors participated in the advance. Oils were an exception and made little headway despite hopes of next Wednesday's OPEC meeting agreeing on a unified oil price.

The boom elsewhere was such that from 10 am onwards leading shares pressed higher and closed with a particularly strong flourish. The FT Industrial Ordinary share index jumped 11.1 more to 572.5 to record its eleventh rise in twelve trading sessions. This has taken the

index up 47.2, or 8 per cent, over the period with 34.5 of the gain occurring this week. Cautious investors were more cautious and trade in this area was slow. The £300m call on Treasury 2 per cent index-linked 2006 obviously took funds out of the system, but longer maturities still managed to recover small early falls and close fractionally higher on balance. The shorts on the other hand, settled marginally lower and the short up, Treasury 11 per cent 1985, at 81, eased away from the authorities' suspected selling level of 91.

Yesterday proved to be the busiest day of the week in the Traded Option Market. The number of contracts completed rose to 2,823, against Thursday's 1,497, and comprised 2,492 calls and 131 puts. RTZ were again the feature as speculation surrounding the group continued—747 calls were done, 371 in the November 650s.

Dealings started in Stewart Paterson's Warrants, which opened at 10p and closed at 13p. Life issues good. Buoyant new life assurance figures for the second quarter of the year attracted buyers to Life companies in a firm insurance sector. Prudential rose 11 to 248.5p. Royal London 10 to 249p. Sun Life appreciated 9 to 312p and Hambro Life gained 8 to 426p. Among Composites, Royals stood out with a rise of 15 to a 1981 peak of 415p on Monday's interim results. General Accident, continuing to draw strength from good first-half results, closed a further 6 up making an advance on the week of 30 at



338p. GRE also put on 6 to 370p and Commercial Union rallied 4 to 168p.

The major clearing banks closed quietly firm. Midland added 4 to 340p and Lloyds hardened 2 to 420p. Elsewhere, Citicredit fell 5 on profit-taking to 223p.

Occasional demand left Breweries with modest gains. Buildings ended the first leg of the three week Account on a very firm note. Further consolidation of the interim results lifted Taylor Woodrow 12 to 418p, while increased interest prompted a gain of 41 to 118p in George Wimpey. London Brick moved up late to close 3 higher at 74p. Outside of the leaders, an investment recovery, mentioned encouraged demand for Feb International and the Ordinary and A added 5 pence to 77p and 73p respectively. Heston Johnsons revived and gained 5 to 79p, while Derek Crouch, harvesters results September 3, firming for a two-day gain of 16 to 193p. Demand in a thin market lifted Wilson (Connolly) 7 to 172p. Barratt Developments added another 4 to 248p.

ICI attracted steady support and rose 10 to 285p, while late demand left Fisons 5 dearer at 158p and Leth Investments 5 to the good at 166p. Yorkshire Chemical came in for support and put on 5 to 42p, but Anchor, a good market of late on speculative interest, shed 5 to 85p on profit-taking.

Stores ended the week on a firm note. The leaders attracted more interest with Marks and Spencer notable for a rise of 4 to 138p following Press comment. Gossies A added a similar amount to 44p, while Debenhams hardened 2 to 94p as did UDS, to 85p. Elsewhere, Kean

and Scott rose 4 to 40p following an investment recommendation and Harris Greenaway revived with a rise of 8 to 136p.

Leading Electricals ended a good week on a particularly strong note. Racal, overlooked to a certain extent in the advance earlier in the week, pushed ahead to close with a gain of 22 at a fresh peak of 475p. Renewed support lifted Plessey 12 to 392p, GEC 13 to 303p, and Thorn EMI 14 to 500p, all new highs. BICC improved 7 to 280p. Elsewhere, demand continued for Rediffusion, which put on 11 further to 197p. Ferranti firming 5 to 600p and similar gains were marked against Amstar, 175p. Scan Data, 160p, and STC 460p. Pico A hardened 3 to 213p in response to the increased dividend and profits. Electronic Machines were noteworthy for a rise of 4 at 44p among smaller priced issues.

Leading Engineers made progress after an uncertain start. Buying interest was shown in GKN which led the way with a rise of 8 to 175p. Elsewhere, still reflecting recovery hopes after poor interim figures earlier in the week, edged up 4 more to 156p. Hawker improved 6 to 338p and John Brown 3 to 94p. Elsewhere, speculation about the outcome of the boardroom rift prompted a gain of 9 to 94p in F. Pratt. Hall Europcar, a new entrant, gained 6 more to 130p and Advest closed similarly dearer at 166p. Davies and Metcalfe A, up 6 more at 48p, continued to benefit from the interim results. Recovery hopes left W. G. Allen 4 dearer at 50p, but Laird Group moved

against the trend with a fall of 7 to 128p on the proposed rights issue.

Interest in Foods heightened as the season wore on and the final tone was decidedly firm. Among Retailers, J. Sainsbury advanced another 8 to a fresh peak of 450p. J. Sainsbury's Associated Dairies added 4 to 204p. Demand in a market short of stock lifted William Morrison 14 to 174p. Elsewhere, Rowntree Macintosh found renewed support and hardened to 180p and Associated British Foods gained 5 to 135p. Press comment helped British Sugar rise 4 to 335p. Barker and Dobson became a relative active market and touched 91p before closing 1 cheaper on balance at 61p.

Further support was forthcoming for leading Hotels and Catering. Grand Metropolitan rising 4 to 219p for a gain on the week of 15. Trusthouse Forte hardened 3 to 152p. Kennedy Brooks, traded in the Unlisted Securities Market, rose 8 to 125p; the half-yearly results are due next Friday.

BTR firm

Fresh institutional support and bear covering helped the miscellaneous industrial leaders to close with further good gains. Ahead of Tuesday's interim results, Unilever rose 10 to 610p, while Becton gained 7 to 225p as did Boots, to 244p. Reckitt and Coleman appreciated 5 to 295p and Glaxo rose similar amount to 410p. SBC International rose 4 more making a rise of 15 to 165p since Wednesday's publication of the better-than-expected results.

Elsewhere, Press comment induced more investment buying of BTR which finished 9 up at 376p. While J. Hewitt gained 6 to 63p for a similar reason. Powell Duffryn added 7 to 205p and Vinten put on 6 to 346p. Renewed interest in the latest Cooper Basin drilling report, while Falis Resources rallied 35 to 265p following the statement clarifying reasons for the police search of the company's records. Among Truists, Press mention stimulated interest in Afterthought, which gained 7 to 217p, while, in Financials, English Association improved 8 to 413p on the annual results and proposed one-

chairman's comments at the annual meeting. Intasun put on 10 for a two-day gain of 18 to 850p while Herford Travel, half-yearly results on Monday, firmed another 13 to a fresh peak of 294p. Saga Holidays firmed 7 to 362p.

Dealings in Orley Printing were suspended at the company's request at 14p pending an announcement. Woodrow Wyatt dropped 4 to a 1981 low of 12p on the annual loss and dividend omission, but Benn Brothers, still responding to the increased preliminary profits and dividend, firmed 6 more to a high for the year of 71p.

Buyers eventually gained the upper hand in Properties and most closed with modest improvements. Land Securities ended 2 dearer at 337p, after 334p, but WEEPC settled a penny cheaper on balance at 240p. Capital and Counties and Samuel attracted interest and added 3 pence to 123p and 120p respectively, while Scitron Estates put on 4 to 122p. London Provincial Shop found support and, in a thin market, firmed 5 to 425p. G.R.A. Property Trust, recently the subject of favourable Press comment, advanced 10 to 140p, while Carlton Real Estates, to 23p. Federated Land registered a late improvement of 3 to 135p, while Imry advanced 30 to 380p in response to the increased annual profits, half-yearly scrip issue and property revaluation.

Ultramar higher

Leading Oils rarely strayed far from overnight closing levels awaiting the outcome of next week's OPEC meeting. Elsewhere, Ultramar advanced a fresh 540p following comment on the half-yearly figures and Californian refinery acquisition before settling at 836p, up 6 on balance. Santos improved 20 to 450p after the latest Cooper Basin drilling report, while Falis Resources rallied 35 to 265p following the statement clarifying reasons for the police search of the company's records. Among Truists, Press mention stimulated interest in Afterthought, which gained 7 to 217p, while, in Financials, English Association improved 8 to 413p on the annual results and proposed one-

FINANCIAL TIMES STOCK INDICES

	Aug. 14	Aug. 13	Aug. 12	Aug. 11	Aug. 10	Aug. 9	Aug. 8
Government Secs.	64.91	64.92	65.00	64.98	64.95	64.00	64.48
Fixed Interest	66.23	66.04	66.04	65.67	65.44	65.34	70.00
Industrial Ord.	572.5	561.4	567.0	555.6	543.8	537.0	483.8
Gold Mines	371.8	361.1	369.1	361.8	358.4	358.0	372.5
Ord. Div. Yield	5.25	5.25	5.30	5.29	5.29	5.25	5.48
Earnings, Yld. (Full)	9.18	9.35	10.13	10.34	10.53	10.64	17.56
P/E Ratio (net)	14.27	13.99	12.55	12.50	12.50	11.65	6.89
Total bargains	28,018	20,091	16,701	20,310	16,701	18,390	17,632
Equity turnover Am.	154.65	148.88	166.89	150.75	154.34	154.34	88.24
Equity bargains	12,650	15,807	15,584	13,557	14,004	11,967	

30 am 561.0, 11 am 565.5, Noon 567.2, 1 pm 568.5,

2 pm 567.8, 3 pm 568.3,

Latest Index 01-248 8025,

NI=12.86.

Basic 100 Govt. Secs. 10/10/78, Fixed Int. 1978, Industrial Ord. 1/7/75, Gold Mines 12/9/75, SE Activity 1974.

HIGHS AND LOWS

	1981	Since Comp'n	Aug. 13	Aug. 14
	High	Low	High	Low
Govt. Secs.	70.81	63.15	127.4	49.18
Fixed Int.	72.01	65.58	150.4	50.53
Ind. Ord.	597.5	445.0	597.5	445.0
Gold Mines	421.1	285.8	568.5	285.8

S.E. ACTIVITY

	Daily	Aug. 13	Aug. 14
	Edged	Bargains	Bargains
Govt. Secs.	175.4	201.1	201.1
Fixed Int.	101.4	101.1	101.1
Ind. Ord.	284.0	181.5	181.5
Gold Mines	95.4	92.6	92.6

for one scrip issue. Reardon Smith closed 5 higher at 140p, after 145p, following the increased dividend and profits, with the A closing 7 up at 132p, after 135p.

Among Textiles, comment on the interim results prompted a loss of a penny in Carrington Vyeella, but renewed buying in a market none too well supplied with stock left Sirdar up 13 more at 200p. De Beers 8 to 415p.

South African Industrials made progress, Aream adding 10 to 195p and OK Bazaars 50 to 800p.

Golds improve

Gold shares moved ahead in line with the higher bullion price, which closed at \$414 for a gain of \$8.50 on the day. The Gold Mines Index gained 10.1 to 311.2.

Western Holdings featured with a rise of 11 to 132.4, while advances of between 1 and a full point were common to Buefals at £20, Driefontein at £16, Vasil Reefs at £24 and President Brand at £21.

Among the lower-priced issues, Llanoran jumped 50 to 945p, while ERFP closed 42 better at 600p. Unisel at 466p and Welkom at 797p both firmed around 35. South African Financials were

also a firm market, helped by stock shortage. Anglo led the way with a 11 gain to £461. Johnnys were at a new high of £39 after a rise of 4 and Gold Fields of South Africa advanced a like amount to £427. Anglo American also reached their highest point this year at 745p, after a rise of 20.

In Diamonds, U.S. demand lifted Amarat to a point to £47 after De Beers 8 to 415p. Platinum extended their recent advances; Impala rose 35 to 430p in front of the year's results, while Rustenburg gained 15 to 305p and Lydenburg 5 to 10 to 355p, after 545p.

Selected Australians were also sought, especially Peko-Wallend, which rose a further 20 to 490p. Western Mining edged up 6 to 326p.

FT UNIT TRUST INFORMATION SERVICE

OFFSHORE & OVERSEAS—contd.

OVERSEAS CONT'D.

Clive Investments (Jersey) Ltd. P.O. Box 86, St. Peter Port, Guernsey. 0881 26522 Next closing day Aug. 13. 2.26	Hamira Pacific Fund Mgmt. Ltd. 2110, Caspary Court, Hong Kong Japan Fund Aug. 7. 1.00	Midland Bank Tr. Corp. (Jersey) Ltd. 28-34, Hill St., St. Helier, Jersey. 0534 36261 Next closing day Aug. 13. 2.62	J. Henry & Son, Weymouth & Co. Ltd. 120, Chancery Lane, London, E.C.2 Aug. 13. 1.00
Corbitt Investments (Guernsey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Int'l. Man. Fd. 0524 2140 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	Samuel Montagu Ltd. Agents 114, Old Broad St., E.C.2 Aug. 13. 1.00	Swire Pacific Corp. (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey S.P. Pacific Fund 1.00
London International Fund 100, Strand, London, W.C.2 Next closing day Aug. 13. 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey Overseas Investment Fund 1.00	Handover Fd. Mgrs. (C.I.) Ltd. P.O. Box 86, Guernsey. 0881 26222 P.O. Box 157, St. Peter Port, Guernsey Special Svc. Fund 1.00	St. James's Place (Jersey) Ltd. P.O. Box 157, St. Peter Port, Guernsey St. James's Place Fund 1.00	Sterling Assurance International Ltd. P.O. Box 157, St. Peter Port, Guernsey Sterling Assurance Fund 1.00
Overseas Investment Fund (

22 OFFSHORE &
99 OVERSEAS
FUNDS

OIL AND GAS Continued

[illegible][illegible]

Section	_____	_____	_____	_____	_____
File	_____	_____	_____	_____	_____
Page	_____	_____	_____	_____	_____
Index	_____	_____	_____	_____	_____

[illegible]

Section	_____	_____	_____	_____	_____
File	_____	_____	_____	_____	_____
Page	_____	_____	_____	_____	_____
Index	_____	_____	_____	_____	_____

Exchanges throughout the United Kingdom for a fee of \$6
per annum for each country

VOLVO
The truck
people who care

FINANCIAL TIMES

Saturday August 15 1981

WE'VE GOT ALL THE ANSWERS

Finance? Buying? Selling? Leasing? Loans? Management? Valuations? Land? Property? STOCKS? WATERHOUSES? COMMERCIAL? LIVING? POOL? JAGUARS?

MEN OF THE WEEK

A costly but proud victory

BY RAYMOND HUGHES

AN ENGLISHMAN, a Scotsman and an Irishman went to Strasbourg in search of justice—and came back well satisfied.

This week the European Court of Human Rights there ruled that Mr Roger Webster, Mr Iain Young and Mr Noel James were entitled to be compensated for being sacked by British Rail in 1974 for refusing to join in a closed shop.

In spite of having successfully taken on British Rail, the unions and the Government during their five-year battle, the three do not see themselves as giant killers.

Just ordinary people, hoping to slip back into obscurity, was the description offered by Mr Young.

An articulate 27-year-old Scot, he was a BR clerk until his refusal to join one of the rail unions cost him his job. He admits to being political



Roger Webster, Iain Young and Noel James outside the European Court of Human Rights

—in the sense of "politically aware"—adding, as an afterthought, that in 1974 he was a Conservative candidate in local government elections in Lambeth.

Asked to summarise his present political stance, he replies: "Conservative in economics—I'm a monetarist; Liberal on social matters."

Losing his job prompted him to make better use of his academic qualifications: 10 "O" levels, six "A" levels and an "S" level. A degree, he decided, would give him more independence.

That decision led him to King's College, London, where last year he graduated as an LL.B. He is now working for his Master's degree, his subjects including, not surprisingly, perhaps, Human Rights.

Then it will be a new career as a barrister—one of the most individualistic careers you can get.

Fifty-two year old Mr James, a burly, soft-spoken Irishman, married with five children, was probably his harder than his two colleagues by the sackings.

Before being fired by BR, Mr James had known only three months of unemployment. He says that the past five years have been a strain, both financially and on his morale.

When he went for other jobs he found that potential employers suddenly lost interest. To pass the time he painted—and repainted—his house in Havant, Hampshire, and did odd jobs on neighbours' cars, living on social security.

Then, after months of badgering, he was given a rehabilitation course and now looks forward to beginning a course in accountancy studies at a training college.

His real hope, however, is to invest the compensation he will now get in his own business—maybe a lorry, or buying and selling cars.

He is not, he says, a political person. "I'm Irish," he says, by way of explanation. He has, however, strong and largely unrepeatable views about politicians—and the social security people who told him he would not get any money for the two days he was in Strasbourg.

Mr Webster, 67, lost no time after the court case ended in returning to his wife at their home in Southborough, Kent. He had been with BR for 19 years when the closed shop issue blew up. It lost him his management job, but within a fairly short time he found himself occupied as a national branch organiser for the right wing Freedom Association, the organisation that backed the three railmen during their long struggle.

His evidence to the Strasbourg court included words that probably sum up the attitude of all three men.

"I would have paid many thousands of pounds to have avoided these traumatic years."

U.S. to urge nuclear-free Mid-East

BY DAVID BUCHAN IN WASHINGTON

A FORMAL proposal that the volatile Middle East region be made a nuclear-free zone is expected from the U.S. at next month's session of the UN General Assembly, according to Mr Eugene Rostow, the Reagan Administration's arms control director.

Sponsorship of an international accord to keep nuclear weapons out of the Middle East would make an important initiative for the Reagan Administration, although the idea is not new. The Administration had made little haste in assembling a nuclear non-proliferation policy until Israel's June 7 raid on Iraq's nuclear reactor.

President Reagan went on record then as saying "the urgency of preventing the spread of nuclear bombs" has

been highlighted by the ominous events in the Middle East."

Mr Rostow said the U.S. had begun preliminary talks about a nuclear weapon-free zone with governments in the Middle East and key nuclear suppliers outside the region. He has made the scheme a top priority since his late arrival to the Administration this summer as head of the arms control and disarmament agency.

"The rough model" for the Middle East plan was the 1967 Treaty of Tlatelolco, which bans nuclear weapons in Latin America, Mr Rostow said.

The treaty, which embraces 22 nations, bans the testing, manufacture, acquisition or storage of nuclear weapons by Latin American states. It also

calls on other nations to place their Latin American territories under the treaty, and urges all nuclear weapon states not to use such arms in the region.

The UK and the Netherlands, which still have colonial possessions in Latin America, have signed the latter protocol, and President Reagan said last month he wanted the U.S. to follow suit.

So far, the U.S. is understood to have approached friends and allies in and out of the Middle East on the new plan—Israel, Egypt as well as NATO allies.

But the Soviet Union, some of its Warsaw Pact partners and a few neutral countries like Switzerland, are also important nuclear suppliers.

All these supplier countries,

gathered in a forum known as the "London Club" have previously discussed tighter safeguards on sensitive nuclear sales. But the club has been defunct since 1978 and the Reagan Administration does not intend reviving it.

The urgency of the problem in the Middle East was highlighted by statements in the wake of the June raid. President Saddam Hussein of Iraq called on Arabs to build a nuclear bomb to match Israel's, while Mr Moshe Dayan, former Israeli minister, confirmed that Israel has the ability to assemble nuclear weapons in a short time.

The possibility remains that the revival of the idea of a nuclear weapon-free zone may have come too late.

Nimslo to raise further capital for launch of 3-D camera

BY CHRISTINE MOIR

NIMSLO, which is developing the revolutionary 3-D camera, will be coming to the market next month for its third capital-raising exercise in three years. By then it will still not have made a single commercial sale.

The City has already invested £10m in the quoted arm, which is valued at £50m even though the company is a year behind projected first-year sales of \$45m (£23m) for 1981.

Baring Brothers, its advisers, unveiled a reconstruction of all the companies in the group yesterday.

Instead of four separate companies, the plan is to create Nimslo International, a single Bermuda-based company, in which Dr Jerry Nims, the inventor of the 3-D camera and his associates will have 80.9 per cent, and outside investors 19.1 per cent.

Outside investors, largely City institutions, own Nimslo European Holdings, a company traded under rule 163(2) on the Stock Exchange, which controls 30 per cent of certain international rights to the camera.

For this the institutions have already invested \$10.14m in two tranches, but they have seen their shares rise in value from an initial £1 in 1978 to a peak of £20 a share, before settling down to £14, the level at which they were suspended in June.

Outside investors are being invited to swap their NEH shares for 18 per cent of Nimslo International, which will seek a quotation on the Stock Exchange's unlisted securities market.

Immediately Nimslo will ask for fresh capital by a rights issue next month.

Mr Graham Dowson, a director of Nimslo, said yesterday that market research tests, coinciding with technical tests in Florida, had recently shown an "almost unbelievably greater demand than first estimated."

Timex of Dundee, which was manufacturing the product, had been in full production since April, producing between 35,000 of 45,000 cameras a month. Final testing would be carried

out in two U.S. cities before Christmas and the American launch would be between January and July next year.

Meanwhile, the group needed more finance for the second generation camera, which was being developed, and for second and third generation printers. These printers, which produce a 3-D photograph whose dimensional effect is said to be effective without the use of a special viewer, are the key to the process.

Nimslo was also beginning to acquire worldwide special processing laboratories and wanted to begin setting up its distribution systems.

The size of the September rights issue has still to be revealed but Mr Dowson was confident that the institutions would continue to have faith in the new camera, which he likened to the invention of the Xerox photocopying machine.

Mr Dowson was once chairman of the Rank Organisation, which owns Xerox.

Details, Page 14

Pratt Engineering chairman leads move to expel two directors

THE SIMMERING boardroom row at F. Pratt Engineering Corporation came into the open yesterday as two directors of the Yorkshire-based group were accused of trying to take control of the board.

Mr Bill Frigens, the chairman, supported by five of his directors, yesterday published a circular calling for the removal of Mr Tertius Murray Threipland, the group's former chief executive, from the board. Mr Threipland was dismissed by the board earlier this week.

Shareholder support is also sought to remove Mr Maurice James, head of the Maurice James Industries engineering group, from office. Mr James joined the board last January.

Mr Murray Threipland's dismissal followed his suspension from executive duties on July 7. At the end of last month the company issued a statement saying that his suspension followed

"disagreement as to the scope and extent of the chief executive's power and responsibility."

In its latest statement the Pratt board, supported by Mr Leslie Davies, representing the interests of the 600 Group, which has a 27 per cent stake in the company, accused Mr Murray Threipland of consistently supporting the actions of Mr James "in seeking to increase Mr James's own influence in the company and to remove the present chairman from office."

The directors of Pratt, which makes the chucks and forgings, said: "In our view, and despite their denials, Mr Murray Threipland has been acting with Mr James to achieve a joint objective of obtaining effective control of the board."

Mr James, who joined the board to cut the group's expenses, has already said that

there are no grounds for getting rid of Mr Murray Threipland. He has claimed that the cost of the present chairman's service agreement is excessive.

The Pratt directors said they had become most concerned at Mr Murray Threipland's conduct as chief executive. "Disregarding established procedures," he had acted on his own "in matters and decisions of material importance" to the group.

At a board meeting at which he was suspended, Mr Murray Threipland "made a serious attack on the chairman," in a statement calling for the chairman's removal from office and supporting Mr James in everything he had done.

In an attack on Mr James, the Pratt directors said that he had "comprehensively and repeatedly broken the spirit and letter of assurances" given to the board.

Nissan Continued from Page One

cent, a share which inevitably will be taken mainly from Britain's smokers.

Nissan is due to give its response this month to many of the submissions by UK component-makers on supplies.

In saying yesterday that he foresaw objections to the project from "some circles" in Britain, Mr Ishihara appeared to be acknowledging that difficulties lay ahead in arriving at an agreement on components.

He underlined that Nissan originally undertook its feasibility study in response to strong encouragement from the Government.

It would now be necessary to "consult" with the Government about the project. Further talks with the Department of Industry have in any case been fixed for the autumn.

Mr Ishihara said: "A key factor in our decision to go ahead with the investment will

be whether we think it will make the money."

He is due to visit Britain in mid-September. This has raised speculation that he might choose the occasion to announce a go-ahead, but the prospects of this happening are now remote.

Nissan does not appear to have taken the question of the possible site for its projected plant any further while these other matters have been under consideration.

It is known that the original shortlist of eight places, three in the North-East, two in South Wales, one in North Wales and two in south Humberside, has been whittled down to two or three.

The finalists appear to be a site that included Sunderland airport, Tyne and Wear, and one between Grimsby and Immingham, Humberside. Shortlist in North Wales is still not completely out of the running.

Gunboats Continued from Page One

regime in one of Iran's border regions, presumed to be Baluchistan.

Azadegan denied any link between the organisation by Mr Bani-Sadr, the deposed President.

Azadegan is one of a number of opposition groups of different tendencies among the approximately 40,000 Iranian exiles now in France.

Each of the gunboats carried an Iranian crew of about 30 men. They were the last of an order of 12 placed

by the Shah's government. Their delivery had been held up for two years. Following the lifting of the Western embargo against Iraq the French Government put off its final go-ahead until after the French elections while final payment details were worked out.

The Mitterrand administration, after agreeing to the deal in June, discreetly handed the vessels over to the specially trained Iranian crews two weeks ago. The gesture was

evidently aimed at appeasing the Iranian regime, which was angered when France granted asylum to Mr Bani-Sadr.

The Iranian crews first sailed the boats to El Ferrol, on the northwest corner of Spain, and then on to Cadiz to take on fuel and supplies.

In Madrid there were suggestions that there was some form of collusion between the crew on at least one of the boats and the raiders.

British air controllers defer action

By Lisa Wood

LEADERS of Britain's 1,400 air traffic controllers yesterday deferred taking independent action in support of their 12,000 striking U.S. colleagues.

But the controllers' representatives have challenged the Federal Aviation Authority (FAA) to accept the independent monitoring of the safety of U.S. air space.

Portuguese controllers yesterday announced they are to press ahead with a boycott of U.S. bound planes from Monday. The unexpected decision, taken after a request from international controllers' leaders to suspend the action, will cause some disruption. However, this will be moderated because the important northern route controlled by Gander, which handles most transatlantic traffic, is now operational.

Mr Douglas Bush, chairman of the air traffic controllers' branch of the Institution of Professional Civil Servants, said yesterday's decision by British controllers had been influenced by the return to work of the Canadian controllers.

He added that the decision had also been influenced by Thursday's decision by the International Federation of Air Traffic Controllers Associations, to suspend any industrial action until after a further delegate meeting on August 22.

Mr Bush said the FAA was being asked to accept a monitoring force of international air traffic controllers. The precise make-up would have to be negotiated with the FAA.

He was convinced of the unacceptable low safety standards of U.S. air space. "We do not want the safety argument over this dispute to be settled by a mid-air collision," he said.

Weather

UK TODAY

Mostly dry with sunny intervals, some showers.

London and S. England

Sunny periods after early fog patches. Max. 25C (77F).

E. Anglia, Midlands, Northern, N.E., N.W. England, N. Wales.

Mostly dry, sunny intervals. Max. 22C (72F).

S.W. England, S. Wales

Channel Islands, Central and S. Scotland, Argyll, Ireland.

Sunny intervals but some fog and drizzle on western coasts. Max. 20C (68F).

N. Scotland, Orkney, Shetlands

Sunny intervals and showers, occasionally heavy. Max. 15C (59F).

Outlook: Mostly dry with sunny intervals.

WORLDWIDE

Y day midday Y day midday

Amman S 27 77 L Amm S 24 76

Amman S 24 75 L Amm S 24 76

Amman S 24 75 L Amm S 24 76

Amman S 24 75 L Amm S 24 76

Amman S 24 75 L Amm S 24 76

Amman S 24 75 L Amm S 24 76

Amman S 24 75 L Amm S 24 76

Amman S 24 75 L Amm S 24 76

Amman S 24 75 L Amm S 24 76

Amman S 24 75 L Amm S 24 76

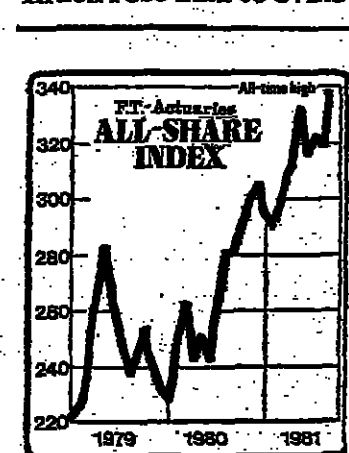
Amman S 24 75 L Amm S 24 76

Amman S 24 75 L Amm S 24 76

THE LEX COLUMN

Sterling shows the way

Index rose 11.1 to 572.5



Since the late spring the London financial markets have been glancing, first nervously and then with growing alarm, at the sterling/dollar exchange rate. Last Monday, though, having dropped almost to \$1.75, the pound began to rally on the back of a slight easing in dollar deposit rates, and after a sharp fall in the dollar in mid-week when the bears of sterling and the D-mark ran for cover, it settled at \$1.80.

As the pressure on sterling has lessened, London money market rates have drifted lower, although late in the week some surprisingly large tax payments have drained the markets of funds—it looks rather as though the payments of tax held up by the civil service may be coming through sooner than expected. But the fear that higher clearing bank base rates will be forced by a weakening in the pound has receded, even though the new monetary regime, which begins on Thursday with the suspension of Minimum Lending Rate, leaves a shadow of uncertainty.

As a result, gilt-edged are off the bottom—yields are half a point or so below the highest seen late last month—and equities, helped by signs of a stronger economy, are back at the top, with the All-Share Index reaching a record high.

But the gap between equity and gilt-edged yields, unusually wide for some time, continues to get wider, and a sustained rally in gilt-edged probably depends on a convincing fall in American interest rates, not just a tentative dip.

Meanwhile interim profits are up from \$5.4m to \$7.7m pre-tax. Last autumn's U.S. acquisition brought in around \$800,000, and the rest of the growth comes from increased sales of trains, buses and conveyor systems. Profits for the year could rise from \$15.6m to nearly \$17m, and although the medium-term prospects for the transport business are looking a little cloudy, the acquisitions will help to keep profits pushing forward.

The prospective dividend yield is 4.6 per cent ex rights, covered perhaps five times by this year's likely historic cost earnings.

Nimslo

A few weeks ago the first mass-produced Nimslo 3-D camera rolled off a conveyor belt in Dundee. Like other significant moments in the career of Dr Jerry Nims, the remarkable invention, this is to be celebrated by a trip to the London capital markets for more money. Nimslo's stock units have been suspended for seven weeks, and remain so, but yesterday's announcement from the group gave an outline of a double prospectus, under which the financial structure of Nimslo will be reorganised—not for the first time—as the prelude to a rights issue.

The camera has yet to generate any revenue; it is still having field tests in the U.S.

smallish businesses. They may not seem very exciting, but the idea is that they will produce a reliable and steadily growing flow of income.

The rights issue will give Laird plenty of elbow room for future deals. By the time the shareholders' funds should be just over £90m, including a £25m of goodwill and its net borrowings will be very modest.

Previous Nimslo fundings operations have been backed by ambitious sales projections—the most recent being for \$43m of revenue in 1981—which have fallen very flat, most recently because of technical delays to production and marketing. This time the rights prospectus will include forecasts rather than projections, and they will have the backing of Baring's. The 1980 prospectus spoke of profits approaching \$100m pre-tax in 1985, and although the timetable may have been extended slightly since then, it would be surprising if the 1981 documents were much less optimistic.

That sort of figure is discounted by the fact that the capitalisation of Nimslo's shares holders can now be fairly sure—as they were not three years ago—that the camera can be commercially produced, even if they can only guess at how it will sell. For the moment, the forecasts and the layers of holding companies, just like the camera itself, give an illusion of depth.

Keep up with commodities

Bache Halsey Stuart Shields Weekly Commodity Digest is one way to keep up with the fast pace of commodity trading.

Each week we review the most active commodities in both the Chicago and New York markets detailing the performance highlights in each category and the forces behind them.

In addition, our analysts clearly and intelligently discuss what they believe will be the outlook for the commodities covered over both the short and long term, and conclude with specific recommendations for each.

To get your copy of this informative report, just telephone us, or complete the coupon.

Bache

Bache Halsey Stuart Shields Incorporated
Members: New York Stock Exchange
Member: Securities Investor Protection Corporation

To: William L. Custard, Manager,
Bache Halsey Stuart Shields Inc., 3-5 Burlington Gardens,
London W1X 1LE. Tel: 01-439 4191, Telex: 263779.
Please send me a months issue (4 copies) of
your Weekly Commodity Digest.

Name

Address

Tel:

by the Financial Times Ltd., Bracken House, Cannon Street, London, EC4A 3DF.
Registered at the Post Office, Printed by St. Clements Press Ltd., London.
© The Financial Times Ltd. 1981